



ABN 91 663 592 318

ANNUAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2024

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CORPORATE DIRECTORY

<p>Non-Executive Chairman Mr Daniel Smith</p> <p>Non-Executive Directors Dr Nannan He Mr Myles Campion Mr John Kay</p> <p>Company Secretary Mr John Kay</p> <p>Stock Exchange Australian Securities Exchange – DY6</p>	<p>Registered Office Level 8 99 St Georges Terrace Perth WA 6000</p> <p>Telephone: (08) 9486 4036 Facsimile: (08) 9486 4799 Email: info@dy6metals.com Website: www.dy6metals.com</p> <p>Postal Address: PO Box 5638 St Georges Terrace Perth WA 6831</p>	<p>Share Registry Computershare Investor Services Level 17 221 St Georges Terrace Perth WA 6000</p> <p>Auditors Moore Australia Audit (WA) Level 15 2 The Esplanade Perth WA 6000</p> <p>Solicitors HWL Ebsworth Level 20 240 St Georges Terrace Perth WA 6000</p>
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DIRECTORS' REPORT

Your directors present their report together with the financial statements of the Group consisting of DY6 Metals Ltd (“DY6” or “the Company”) and its controlled entities for the year ending 30 June 2024, the notes to the financial statements and the auditor’s report thereon.

DIRECTORS

The following persons were Directors of DY6 Metals Ltd during the financial year and up to the date of this report unless otherwise stated:

Mr Daniel Smith – Non-Executive Chairman

Mr John Kay – Non-Executive Director

Dr Nannan He – Non-Executive Director

Mr Myles Campion – Non-Executive Director

MANAGEMENT

Mr Lloyd Kaiser – Chief Executive Officer (resigned 10 July 2024)

Mr John Kay – Company Secretary

PRINCIPAL ACTIVITIES

The Company’s business model is focused on achieving exploration success and discovery of a potentially economic mineral deposit capable of being developed in Malawi, with a focus on minerals and metals that are used in the electric vehicle and renewable energy sectors.

RESULTS AND DIVIDENDS

The consolidated statement of profit or loss and other comprehensive income shows a net loss for the year ended 30 June 2024 to members of \$1,559,802 (2023: net loss \$803,315). There were no dividends paid or recommended during the financial year ended 30 June 2024 (2023: nil).

CORPORATE

On 27 July 2023 Mr Lloyd Kaiser joined the Company as CEO (subsequently resigning on 10 July 2024) and Mr Troth Saindi was appointed as Senior Exploration Geologist to oversee the Company’s Malawian operations.

During the year, a total of 11,848,341 shares and 1,000,000 performance rights were released from escrow. In addition, a total of 3,000,000 performance rights were converted into fully paid ordinary shares following the meeting of their performance hurdle, however these shares are still subject to varying periods of ASX imposed escrow.

DIRECTORS' REPORT

REVIEW OF OPERATIONS

Tundulu REE Project

During the year, DY6 applied for, and was granted, an exclusive prospecting licence application (91.5km²) over a project area with significant REE potential in southern Malawi, "Tundulu" – a known carbonatite ring complex with abundant REE mineralisation, predominantly in the form of bastnaesite and apatite. The Company reported historical high-grade drill intercepts at Tundulu undertaken in 2014 comprising 55 holes for 7,000m of drilling.

Recently, the Company completed an exploration program collecting 63 metallurgical samples from 37 sample locations along high-grade historic trench (TUTR10). The sampling is intended to be representative of the mineralised Bastnaesite and Apatite carbonatite rock types exposed within the trench and historical results from TUTR10 returned average grades of 7.1% P₂O₅ and 1.8% TREO across 83m.

Each of the samples will be analysed separately with a portable XRF onsite at DY6's drill core warehouse prior to dispatch to SGS Laboratories in Perth and South Africa. Five (5) bioavailability samples were taken across various trenches, targeting phosphate rich rocks with P₂O₅ > 15%. Bioavailability is used for analysis on phosphorous rock sources to determine the solubility of phosphate in soils. This analysis is useful in determining whether a particular phosphate rock type is suitable for direct fertiliser applications where the phosphate would be applied directly to the soil for uptake.

Tundulu is a known carbonatite complex in southern Malawi enriched in REE and Niobium mineralisation. Tundulu is formed of several hills in a ring around a central vent called Nathace Hill where the majority of the historic surface sampling and drilling was undertaken. The predominate geology at Nathace Hill is REE apatite, REE carbonatites and feldspathic breccia, and comprises a large inner agglomerate vent. Mineral rich carbonatite also occurs at Tundulu Hill east of Nathace and Makhanga Hill west of Nathace and is previously unexplored and prospective for REEs.

The Tundulu carbonatite intrusion was first reported in detail by M.S. Garson in 1965 and was extensively drilled for REE and rock phosphate resources by JICA between 1988 to 1991 with three separate non-JORC resources being delineated at Nathace Hill within the apatite (refer to DY6 ASX announcement dated 11 December 2023). These three areas were subject to small scale mining in 2010 and subsequently a joint venture between Optichem and Mota-Engil undertook an evaluation of the REE potential during 2014/15. They completed 55 holes, mainly RC for 7,002m. A preliminary non-JORC resource was defined.

REE mineralisation remains open towards southern and western directions of Nathace Hill and potentially extends beyond the boundaries of the previously established mineralised area over Tundulu Hill. Initial indications of mineralisation appear to be high in valuable MREEs and low measurable radioactive uranium (U) and thorium (Th). This compares favourably to Lynas Rare Earths' Mount Weld Central Lanthanide Deposit where Th and U concentrations in the ore are approximately 660 ppm and 25 ppm respectively.¹

¹ Mt Weld Rare Earths Project Mine Closure Plan March 2021, Appx G - Mine Closure Plan.pdf (epa.wa.gov.au)

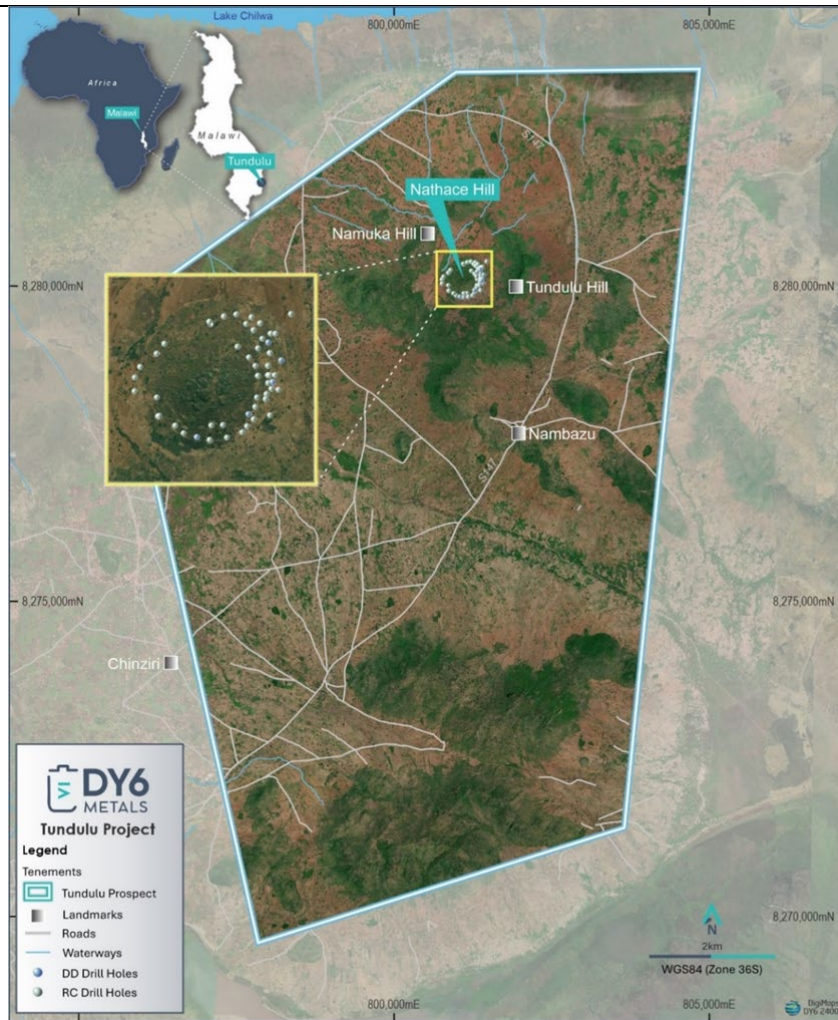


Figure 1. Map of Tundulu Licence (EL0731)



Figure 2. Tundulu Hill (left) and Nathace Hill (right)

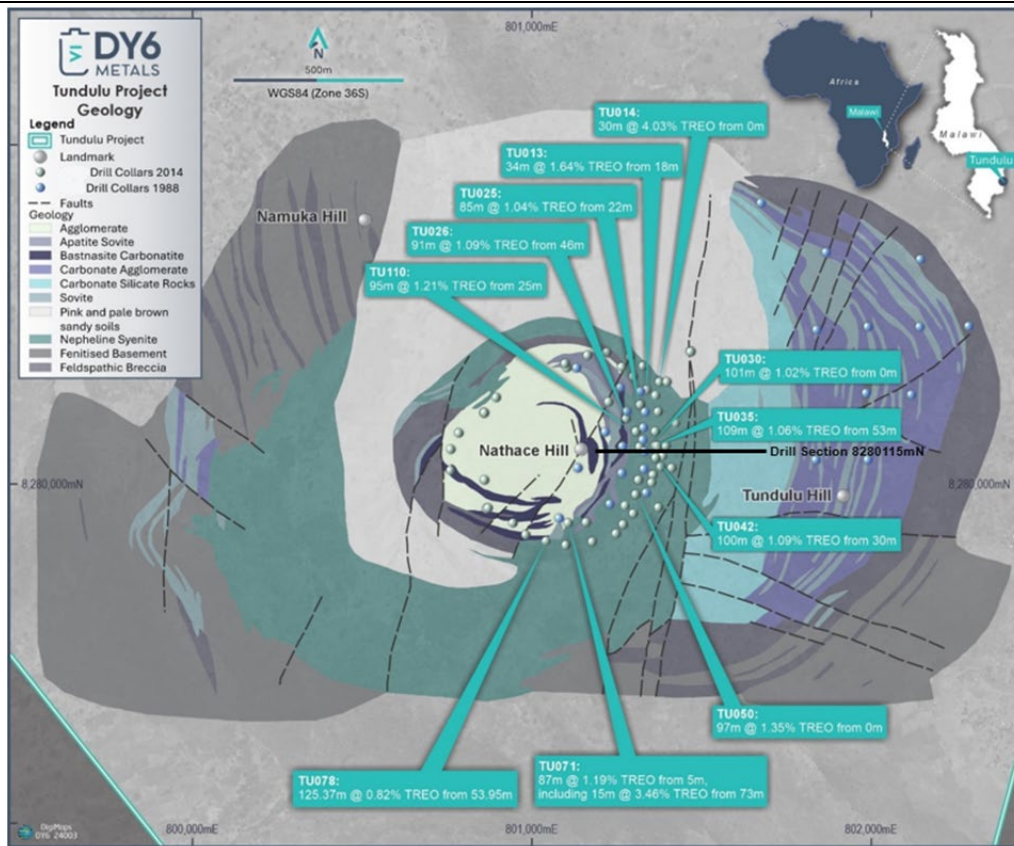


Figure 3. Significant TREO results at Nathace Hill

DY6 has engaged Perth-based consulting metallurgists Met Chem Consulting for initial metallurgical evaluation to review historical testwork work programs and assess the findings from the 2017 metallurgical report. Met Chem Consulting has 20 years' experience and has overseen beneficiation testwork and pilot programs for many ASX-listed companies and overseas rare earths projects.

The testwork by DY6 will initially focus on validating the beneficiation results achieved by previous laboratory test work. Conducting test work at this early stage enables the Company to ascertain the preliminary viability of producing two product streams; a REE commercially saleable concentrate and a mixed phosphate concentrate containing rare earths.

Machinga HREE & Nb Project

During the year the Company completed a maiden reverse circulation (“RC”) and diamond drilling (“DD”) campaign at the Machinga Project (Northern Zone) in southern Malawi for a total of 4,543m. In addition, adjoining ground at Machinga which was previously under application, was granted increasing the total area at Machinga to 197km².

Results from the maiden drilling program confirmed the presence of a strongly mineralised hydrothermal breccia system striking NW-SE and dipping shallowly ~35° to the NE. Pleasingly, high-grade zones were intersected, as well as the suggestion of the mineralised zones thickening at depth and along-strike.

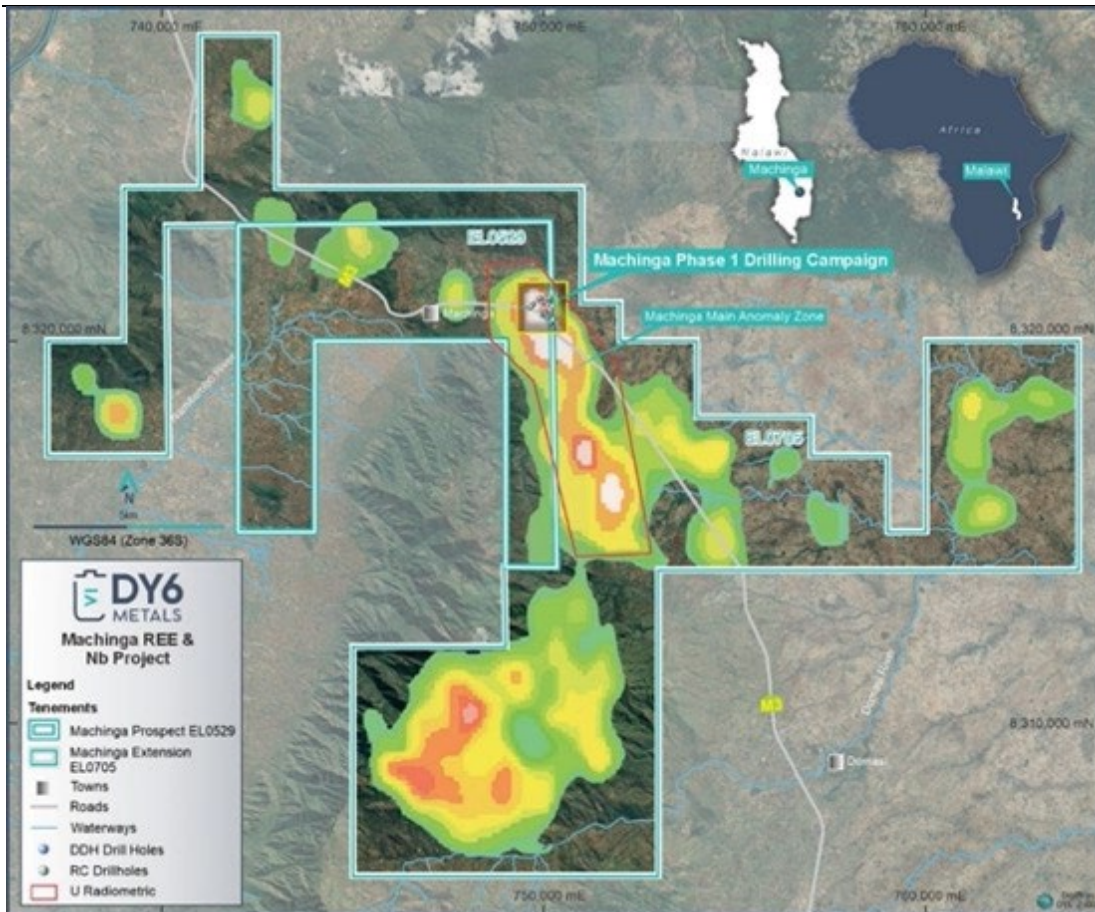


Figure 4. Machinga Project location in Southern Malawi (U radiometric).

The initial focus of DY6 during the maiden drilling program was to test the known strike of the confirmed historic drill results. The Company subsequently conducted a comprehensive rock chip and soil sampling program into the Machinga extension license to focus on stepping out NW of the phase 1 drilling campaign and along the southern zone of Machinga following the anomalous contour to delineate high priority drill targets for future drilling (refer to ASX announcement dated 19 April 2024). Rock chips returned up to 3.22% TREO and up to 0.75% Nb₂O₅.

Interestingly, two anomalies west of the main road of Machinga extension area showed a much more continuous character of higher TREO results - highlighting the scale potential of REE mineralisation in this new area of the licence. The extension of this trend is highly significant as this is within the Forestry Reserve, where DY6 has a forestry permit, and not within farming activities, allowing for future exploration activities west of the highway.

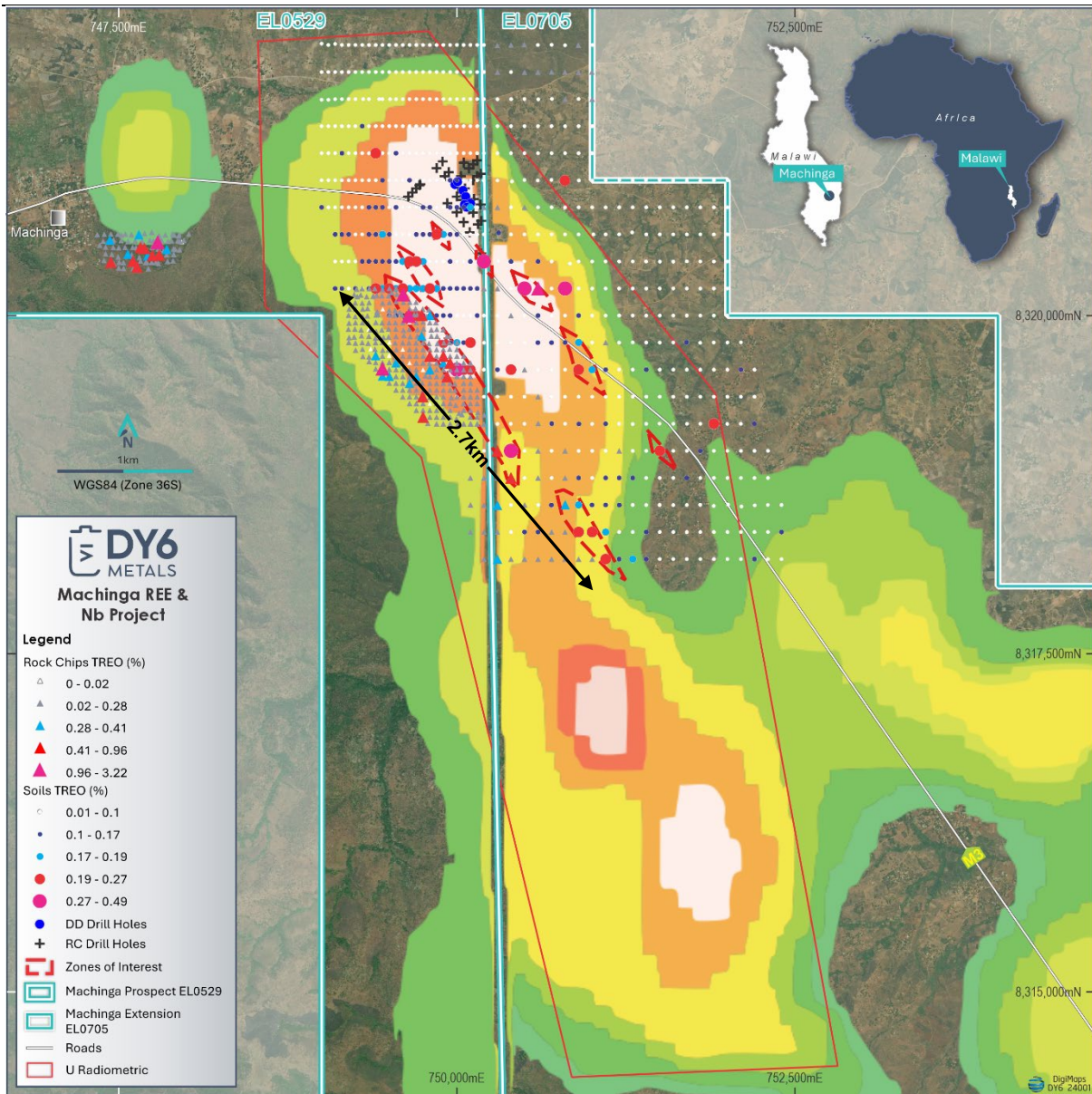


Figure 5. Soil and Rock TREO % responses on part of Machinga Licence Area on U-Radiometric image from recent and previous DY6 sampling

The Machinga sampling over the entire footprint shows distinctly different HREO and NdPr signature to the main Machinga drilling area and the most elevated concentrations of TREO correspond to the highest Nb values. The project area comprises of nepheline syenites, syenite rocks and minor alkaline granites of various lithologies with a range of REE mineralisation variably distributed in the various rock types.

Previous drilling primarily focused on the NE region of Machinga Main Northern anomaly near the licence border and where Globe Metals and Mining (Globe) initially explored. The recent rock chip results indicate significant potential exists for further drilling west and to the south of the initial focus of drilling activity with a significantly sized 2.7km long soil geochemical anomaly NW to SE (Figure 5). The Company's rock chip sampling results over the southern region of Machinga anomaly follows a similar trend pattern to historic results by previous explorers and potentially leads to the identification of further HREO mineralisation to be confirmed by future drill testing.

DIRECTORS' REPORT

Ngala Hill PGE Project

The Ngala Hill prospect is located 35km south-southwest of Blantyre in southern Malawi. The deposit is characterised as an outcropping ultramafic chonolith with widespread Pd-Pt-Au-Cu mineralisation that is palladium-rich. No significant modern exploration has been undertaken on the prospect including no electromagnetics (EM) to target higher-grade massive sulphides. Three zones of palladium rich Pd, Pt, Au, Cu mineralisation have been identified to date.

The main mineralised zone has only had limited drilling. The Company believes there is significant potential for increased PGE grade in fresh rock (i.e., Julimar deposit). The prospect is proximal to the Nacala rail/ port corridor and grid power.

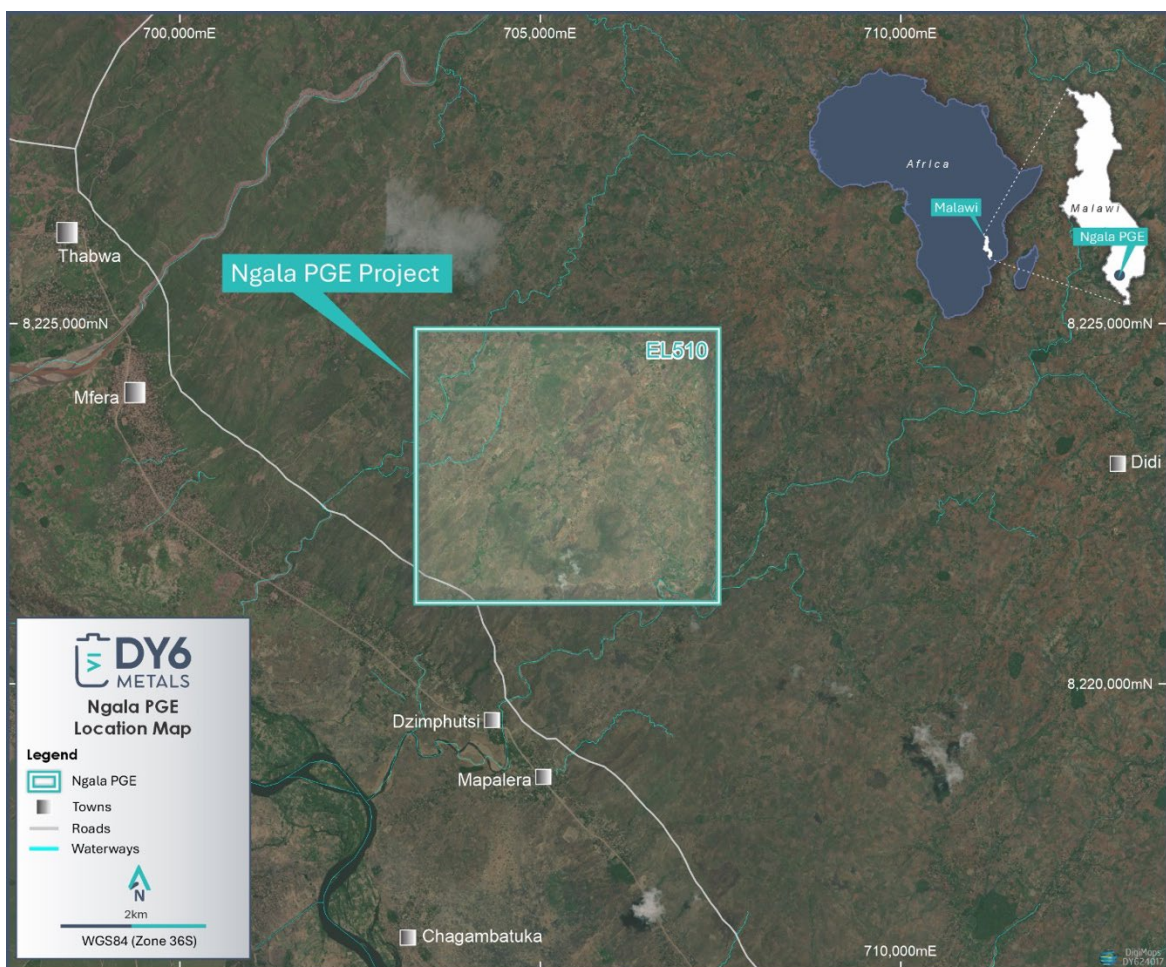


Figure 6. Location of the Ngala Hill PGE Project in southern Malawi

Background on the Project

The Ngala Hill ultramafic chonolith is an arcuate-shaped intrusion, with dimensions of approximately 2.4km by 0.7km and was intruded into the underlying Proterozoic Basement Complex gneisses. The Ngala Hill Project is characterised by an intrusive ultramafic suite of pyroxenites and hornblende-pyroxenites that intrude basement gneisses. The pyroxenite facies of the ultramafic complex is prospective for platinum group elements (PGEs), predominantly palladium, and associated copper.

Initial work at Ngala Hill in the late 1960s included geochemical sampling programs undertaken by the British and Malawian Geological Surveys. Phelps Dodge started an exploration program for PGEs on Ngala Hill in 1999

DIRECTORS' REPORT

with approximately 600 m of trenching. Metapyroxenite and amphibolite with an PGE-gold-copper nickel association was intersected trenching and yielded 1.41g/t Pt+Pd+Au and 1,430 ppm Cu over a length of 64m.

In 2000, Placer Dome confirmed further anomalies with encouraging results received from several trenches including 12m at 3g/t PGE+Au and 70 m at 1.12g/t PGE+Au, including 8m at 3.3g/t PGE+Au.

Three zones of palladium-platinum-gold-copper mineralisation were defined at Ngala Hill, including:

- Main Zone striking parallel to the main spine of Ngala Hill for approximately 2 km;
- Massive Sulphide Zone comprising laminated, outcropping 10 cm thick massive sulphide band with associated quartz breccias; and
- Western Sill potentially mineralised at a similar topographic level to the Main Zone.

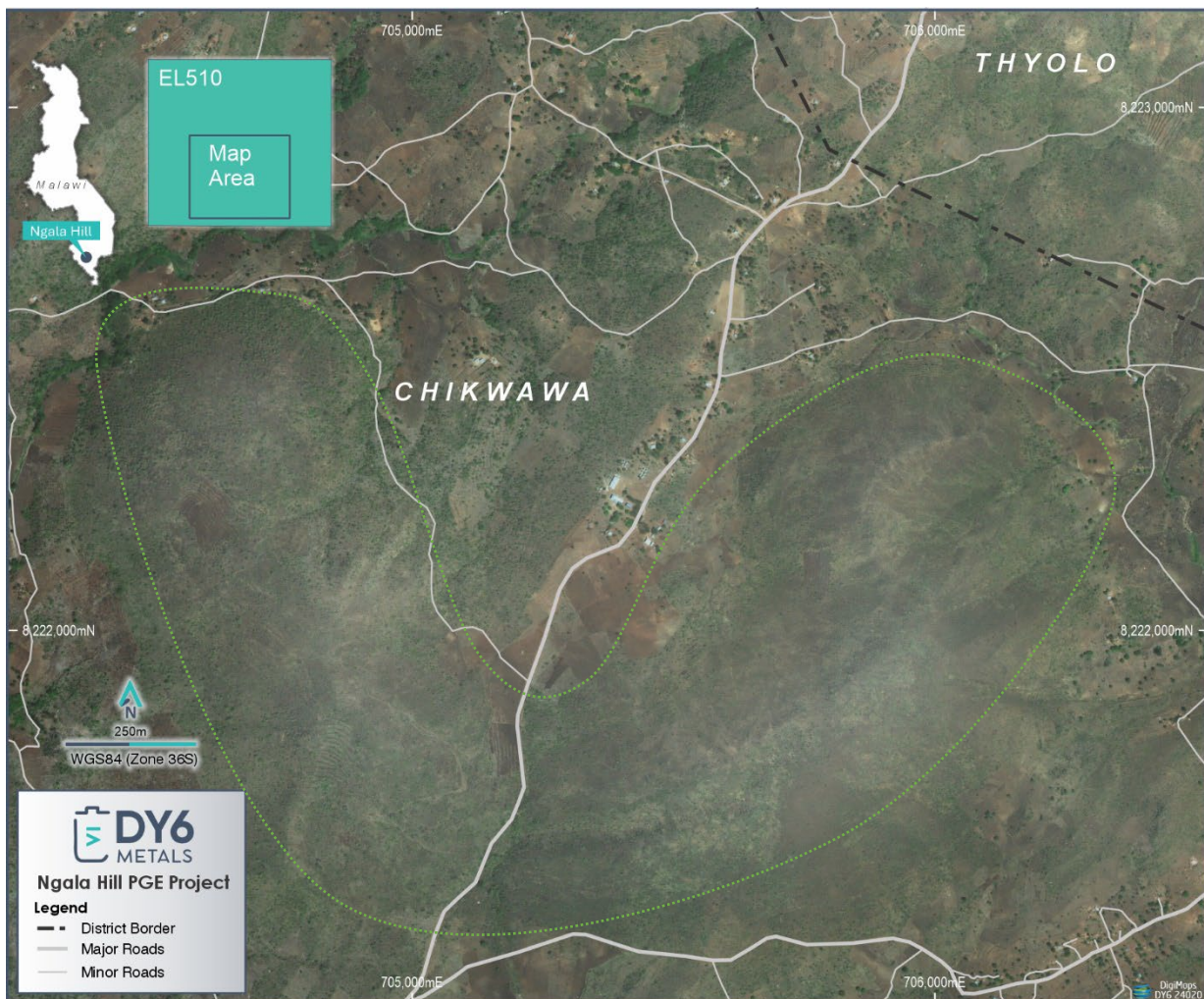


Figure 7. Ngala Hill PGE Project area crops out as a kidney shaped ultramafic Intrusion

DY6 Sampling Program

Although no work was completed on the Project during the year, the Company recently completed a reconnaissance mapping and rock chip sampling program over known target areas on the Project (refer ASX announcements 3 July 2024 and 28 August 2024).

Assay results from this Program are expected in the coming weeks.

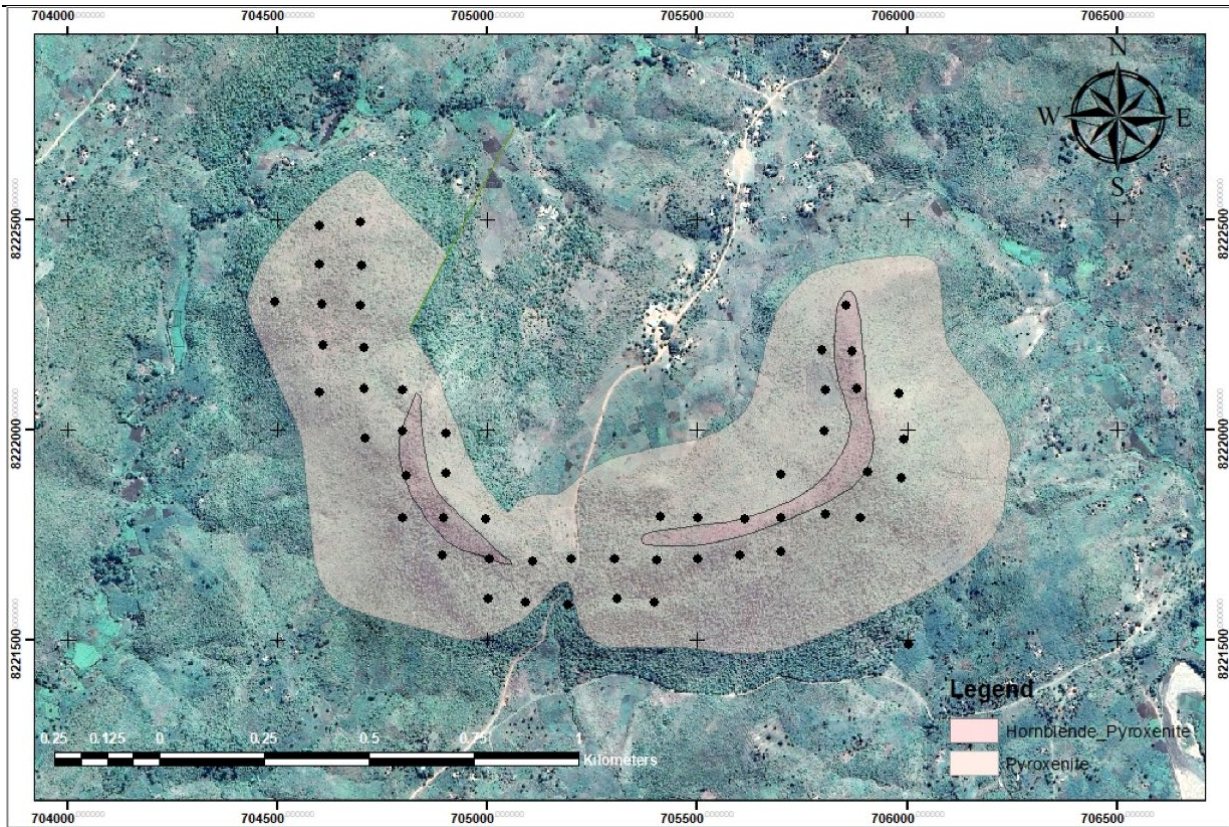


Figure 8. Ngala PGE Project – Sample locations from recent reconnaissance program (completed late August 2024)

Salambidwe REE Project

During the year, the Company successfully completed an extensive geochemical sampling and geological mapping program at the highly prospective Salambidwe REE and Nb project in southern Malawi. Salambidwe sits within the Salambidwe Ring Complex, part of the Chilwa Alkaline province of southern Malawi that also hosts the Kangankunde Deposit, Machinga REE Project and numerous other REE prospects. The complex is approximately six kilometres in diameter (approximately 85% occurs within the Company’s licence) and is dominated by syenite and nepheline syenite with a core of agglomeratic rocks.

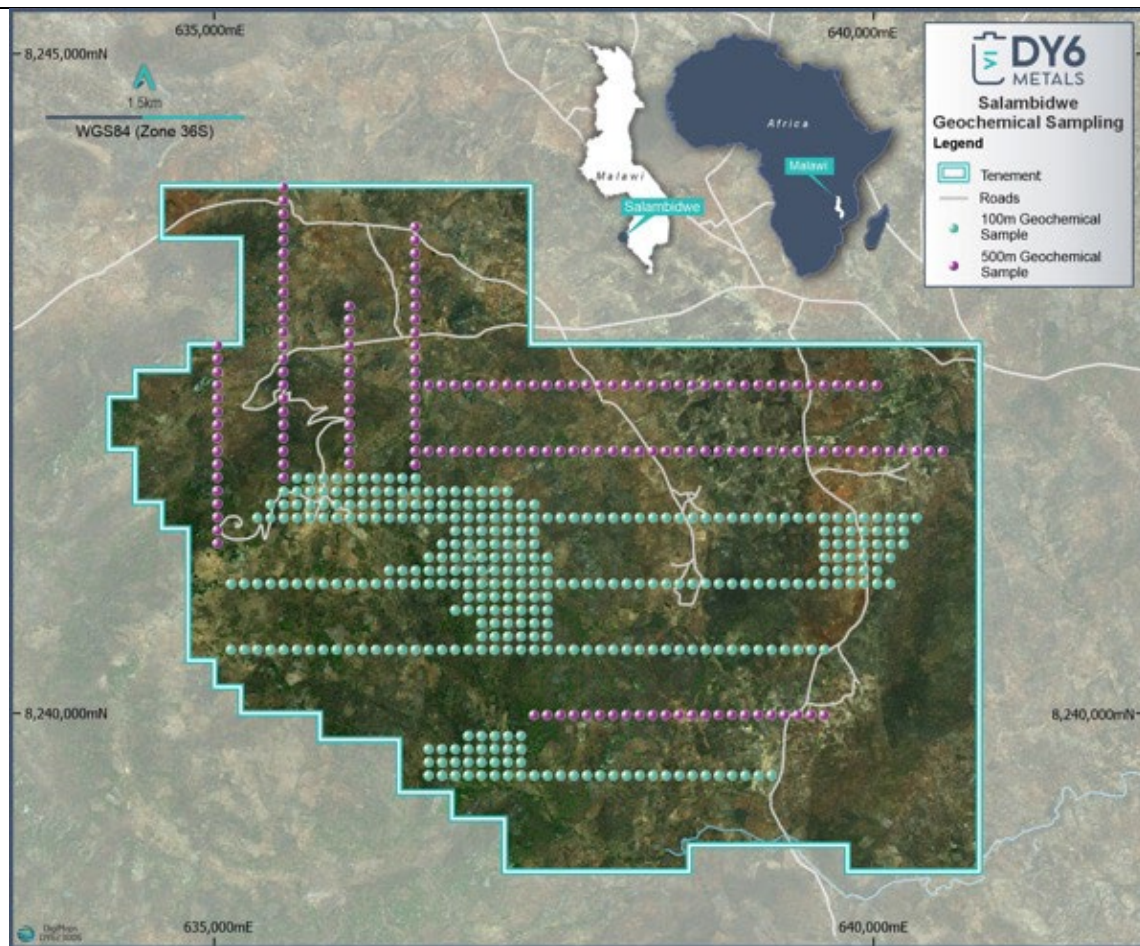


Figure 9. Geochemical Sampling Program within Salambidwe Prospect

A total of 514 soil and rock chip samples were collected as part of the program over a 50km grid from outcrops across the licence area along with completion of an airborne geophysical program consisting of 45-line kilometres of electromagnetic plus radiometric surveying to map the magnetic and conductive properties of the geology of Salambidwe. Maximum values of up to 1.21% TREO & 0.12% Nb₂O₅ were derived from separate rock chip samples from the sampling program.

Mzimba and Karonga

During the year, the Company applied for four highly prospective lithium licences in Northern Malawi, in the regions of Mzimba and Karonga. The Company’s Mzimba central licence application and the Karonga license has since been formally granted by the Malawian mines department; however, the Company’s remaining licence applications are still awaiting grant.

The Company completed an initial lithium-focused ground reconnaissance program at its Mzimba South and Afro Gifts (Karonga South) licences. Initial ground reconnaissance sampling at Mzimba South returned grades of 6.2% Li₂O (lepidolite mica) and 0.3% Li₂O (pegmatite rock assemblage), also high in cesium and rubidium with significant potential for LCT pegmatite hosted mineralisation. As announced previously to the market, the Company had secured a six-month option to acquire an 80% interest in the Karonga Lithium Project (Karonga South licence) from a private Malawian based vendor. After an initial due diligence exercise, the Company has since decided to allow the option to lapse and not proceed any further with this transaction.

DIRECTORS' REPORT

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the Group that occurred during the financial period not otherwise disclosed in this report.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Mr Lloyd Kaiser resigned as CEO of the Company on 10 July 2024.

The Company completed a reconnaissance sampling program at its Ngala Hill PGE prospect on 28 August 2024, with results from assays expected in the coming weeks.

CORPORATE GOVERNANCE

The Company's Corporate Governance Statement is available on its website www.dy6metals.com.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Likely future developments in the operations of the Group and the expected results of those operations in subsequent financial years are consistent with those reported for the current period.

ENVIRONMENTAL REGULATIONS

The Company is required to carry out its activities in accordance with the Mining Laws and regulations in the areas in which it undertakes its exploration activities. The Company is not aware of any matter which requires disclosure with respect to any significant environmental regulation in respect of its operating activities.

COMPETENT PERSON STATEMENT

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Allan Younger, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Younger is a consultant of the Company. Mr Younger has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Younger consents to the inclusion of this information in the form and context in which it appears in this report. Mr Younger holds shares in the Company.

Cautionary Statement

Visual observations of the presence of rock or mineral types and abundance should never be considered a proxy or substitute for petrography and laboratory analyses where mineral types, concentrations or grades are the factor of principal economic interest. Visual observations and estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations. At this stage it is too early for the Company to make a determinative view on the abundances of any of these minerals. These abundances will be determined more accurately through petrography, assay, and XRF analysis. The observed presence of known REE-bearing minerals does not necessarily equate to rare earth mineralisation. It is not possible to estimate the concentration of mineralisation by visual estimation and this will be determined by chemical analysis.

Abbreviations

- **TREO** = Total Rare Earth Oxides – La_2O_3 , CeO_2 , Pr_6O_{11} , Nd_2O_3 , Sm_2O_3 , Eu_2O_3 , Gd_2O_3 , Tb_4O_7 , Dy_2O_3 , Ho_2O_3 , Er_2O_3 , Tm_2O_3 , Yb_2O_3 , Lu_2O_3 , Y_2O_3
- **HREO** = Heavy Rare Earth Oxides – Tb_4O_7 , Dy_2O_3 , Ho_2O_3 , Er_2O_3 , Tm_2O_3 , Yb_2O_3 , Lu_2O_3 , Y_2O_3
- **HREO%** = $\text{HREO}/\text{TREO} * 100$
- **DyTb:TREO** = $(\text{Dy}_2\text{O}_3 + \text{Tb}_4\text{O}_7)/\text{TREO} * 100$
- **P2O5** = Phosphorus pentoxide

DIRECTORS' REPORT

INFORMATION ON DIRECTORS			
Director and Experience			
Mr Daniel Smith Non-Executive Chairman			
<p>Mr Smith holds a Bachelor of Arts, is a Fellow of the Governance Institute of Australia, and has over 16 years' primary and secondary capital markets expertise. He is a director and co-founder of Minerva Corporate, a boutique corporate services and advisory firm. He has advised on and been involved in over a dozen IPOs/RTOs on the ASX, AIM and NSX.</p> <p>Mr Smith is currently non-executive director for several companies on AIM/ASX operating in the resources sector, with a focus on critical minerals, and has been heavily involved in project origination and evaluation.</p>			
Particulars of Directors Interest in Securities in the Company:			
<p><i>4,035,000 fully paid ordinary shares;</i> <i>2,225,000 options ex \$0.25 on or before four years from issue;</i> <i>250,000 performance rights</i></p>			
Directorships held in other listed entities (last 3 years):			
Name of Company	Position Held	Date commenced	Date resigned
Nelson Resources Limited	Non-executive director	15/08/2022	-
Alien Metals Ltd	Non-executive director	26/02/2019	06/09/2023
Artemis Resources Ltd	Non-executive director	05/02/2019	31/10/2023
White Cliff Minerals Ltd	Non-executive director	14/12/2018	-
QX Resources Ltd	Non-executive director	13/06/2018	-
Lachlan Star Ltd	Non-executive director	18/01/2018	-
Europa Metals Ltd	Non-executive director	16/01/2018	-
Oceana Lithium Ltd	Non-executive director	12/02/2024	-
John Kay Non-Executive Director			
<p>Mr Kay holds a Bachelor of Laws from the University of Western Australia and is admitted to practice as a lawyer in Western Australia and England & Wales. He is an experienced corporate lawyer and corporate adviser with over 16 years' experience in equity capital markets, M&A and resources gained through both private practice and inhouse roles in Australia and the UK. He currently operates a corporate advisory practice, Arcadia Corporate, which provides corporate advisory and capital raising services to listed and unlisted companies in the small cap mining sector.</p> <p>He has previously held a number of non-executive and company secretarial roles for ASX listed mining and energy companies and has advised on over a dozen IPOs/RTOs on the ASX.</p>			
Particulars of Directors Interest in Securities in the Company:			

DIRECTORS' REPORT

INFORMATION ON DIRECTORS			
Director and Experience			
<p>3,605,000 Fully paid ordinary shares; 2,140,000 Options exercisable at \$0.25 each on or before 4 years from issue; 250,000 Performance Rights</p>			
Directorships held in other listed entities (last 3 years):			
Name of Company	Position Held	Date commenced	Date resigned
Tian Poh Resources Ltd	Non-executive director	14/07/2021	30/05/2022
Dr Nannan He			
Non-Executive Director			
<p>Dr He has over 10 years' experience in geosciences, chemical material trading, exploration and resources investment. Via her investment vehicle, Woodsouth Asset Management, she has been actively examining exploration and resource projects worldwide and has built strong networks, particularly in the Southeast Asian market.</p>			
<p>Dr He holds a PhD in Geochemistry from Curtin University, a MS in Geochemistry from Hokkaido University, and a BS in Mineral Resource Exploration from Jilin University.</p>			
Particulars of Directors Interest in Securities in the Company:			
<p>925,556 fully paid ordinary shares; 225,278 options ex \$0.25 on or before four years from issue</p>			
Directorships held in other listed entities (last 3 years):			
Nil.			
Mr Myles Campion			
Non-Executive Director			
<p>Mr Campion has over 30 years' experience in the natural resources sector, including exploration geology, resource analysis, fund management, equities research and project and debt financing.</p>			
<p>He started his career as an exploration and mining geologist in Australia covering base metals and gold, that included being the Project Geologist at LionOre responsible for the exploration, discovery and BFS completion of the Emily Ann Nickel Sulphide Mine. Mr Campion's financial experience ranges from Australian and UK equities research through to project and debt financing in London and Fund Manager for the OEIC Australian Natural Resources Fund for 5 years in Perth.</p>			
<p>He has been the Executive Director of Europa Metals Ltd since August 2020 and is a Non-Executive Director at Katoro Gold PLC. Mr Campion has an M.Sc. in Minerals Exploration from the Royal School of Mines in London and B.Sc. Honors in Geology from University of Wales College Cardiff.</p>			
Particulars of Directors Interest in Securities in the Company:			
<p>665,000 fully paid ordinary shares; 562,500 options ex \$0.25 per shares on or before four years from issue</p>			

DIRECTORS' REPORT

INFORMATION ON DIRECTORS			
Director and Experience			
Directorships held in other listed entities (last 3 years):			
Name of Company	Position Held	Date commenced	Date resigned
Europa Metals Ltd	Executive Chairman	17/10/2017	-
Katoro Gold PLC	Non-executive Director	11/11/2014	14/06/2023

DIRECTORS' REPORT

DIRECTORS' MEETINGS

The number of Directors' meetings and number of meetings attended by each of the Directors of the Company during the financial period (and the number each Director was entitled to attend):

	Directors' Meetings	
	Number eligible to attend	Number attended
Daniel Smith	5	5
John Kay	5	5
Nannan He	5	5
Myles Campion	5	5

Given the size of the company, there are no separate committees of Directors.

REMUNERATION REPORT (Audited)

The information in this remuneration report has been audited as required by s.308 (3C) of the *Corporations Act 2001*.

(a) *Principles used to determine the nature and amount of remuneration*

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. As there is no remuneration committee the role is assumed by the full Board of Directors. The Board ensures that director and executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- transparency; and
- capital management.

The Group has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Alignment to shareholders' interests:

- has economic profit as a core component of plan design;
- focuses on sustained growth in share price and delivering constant return on assets as well as focusing the executive on key non-financial drivers of value;
- attracts and retains high calibre executives;
- rewards capability and experience;
- reflects competitive reward for contribution to shareholder growth;
- provides a clear structure for earning rewards; and
- provides recognition for contribution.

(a) Principles used to determine the nature and amount of remuneration (continued)

Relationship between remuneration and Group performance

During the past year and since listing on 1 July 2023 the Group has generated losses as it is still involved in mineral exploration, not in production.

Given that the remuneration is commercially reasonable / appropriate / benchmarked, the link between remuneration, Group performance and shareholder wealth generation is tenuous, particularly in the exploration stage of a minerals company. Since listing the Group has recorded losses as it carries out exploration activities on its tenements, and no dividend has been paid. Share prices are subject to the influence of international metal prices and market sentiment toward the sector, and increases or decreases may occur quite independent of executive performance or remuneration. Share prices, largely unrelated to profit and loss, have descended to \$0.05 since listing.

Non-Executive Directors

Messrs' Smith, Kay and Campion together with Dr He have entered into an appointment letter with the Company to act in the capacity of Non-Executive Directors. As non-executive Chairman, Mr Smith receives annual remuneration of \$54,000 (plus GST) which commenced from the Company's listing. As non-executive Directors, Messrs' Kay and Campion together with Dr He receive annual remuneration of \$54,000 (plus GST) which commenced from the Company's listing.

Non-Executive Directors' fees and payments are reviewed annually by the Board. The Board seeks to ensure Non-Executive Directors' fees and payments are appropriate and in line with the market.

Directors' fees

The current base remuneration was last reviewed with effect from April 2023.

Non-Executive Directors' fees are determined within the Non-Executive Directors' fee pool limit, which is periodically recommended for approval by shareholders. The pool currently stands at \$300,000 per annum for Non-Executive Directors was adopted in the Company's Constitution dated 27 January 2023.

Retirement allowances for Directors

The Company provides no retirement allowances for Non-Executive Directors.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Executive pay

The executive pay and reward framework has four components:

- base pay and benefits;
- short-term incentives;
- long-term incentives through Directors options (refer Note 19); and
- other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration.

Base pay

Structured as a total employment cost package which may be delivered as a mix of cash and prescribed non-financial benefits at the executive's discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for senior executives is reviewed annually by the Board to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

There are no guaranteed base pay increases fixed in any senior executives' contracts.

Benefits

Executives receive no benefits outside of the base pay, options and superannuation disclosed in this report.

(a) Principles used to determine the nature and amount of remuneration (continued)

Retirement benefits

Other than statutory superannuation contributions, no retirement benefits are provided for executives except statutory entitlements.

Short-term incentives

Key management personnel are entitled to short term incentives (STI's) based on performance that is agreed by the board from time to time.

Performance Conditions

Performance conditions are attached to the performance rights issued to directors as remuneration.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

(b) Details of remuneration

Details of the nature and amount of each element of the emoluments of each of the key management personnel of the Group are set out in the following tables:

Key management personnel and other executives of the Group

	Short-term employee benefits		Post-employment benefits		Share-based payments		Total
	Cash salary and fees	Non-monetary benefits	Super-annuation pensions	Retirement benefits	Options	Performance Rights	
30 June 2024	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors</i>							
Daniel Smith	54,000	-	-	-	-	19,015	73,015
John Kay ¹	54,000	-	-	-	-	19,015	73,015
Nannan He	48,649	-	5,351	-	-	-	54,000
Myles Champion	54,000	-	-	-	-	-	54,000
Total Non-Executive Directors	210,649	-	5,351	-	-	38,030	254,030
<i>Other Key Management</i>							
Lloyd Kaiser ²	246,071	-	23,227	-	-	164,392	433,690
	246,071	-	23,227	-	-	164,392	433,690
Total key management personnel compensation	456,720	-	28,578	-	-	202,422	687,720

¹ Mr J Kay, a Non-Executive Director, also provides company secretarial services to the Group.

² Mr L Kaiser resigned on 10 July 2024.

	Short-term employee benefits		Post-employment benefits		Share-based payments		Total
	Cash salary and fees	Non-monetary benefits	Super-annuation pensions	Retirement benefits	Options	Performance Rights	
30 June 2023	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors</i>							
Daniel Smith ^{1,3}	50,000 ⁴	-	-	-	15,798	25,171	90,969
John Kay ^{1,3}	65,000 ⁴	-	-	-	15,799	25,171	105,970
Nannan He ^{2,3}	-	-	-	-	-	-	-
Myles Champion ^{2,3}	-	-	-	-	42,466	-	42,466
Total Non-Executive Directors	115,000	-	-	-	74,063	50,342	239,405
Total key management personnel compensation	115,000	-	-	-	74,063	50,342	239,405

¹ Appointed 3 November 2022.

² Appointed 20 March 2023.

³ All director fees were paid post IPO.

⁴ Pre-IPO services fees paid.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

(c) Service agreements

There are service agreements in place for each executive and non-executive Director.

(d) Share-based Compensation

Performance rights

On 27 July 2023, the Company issued 3,300,000 performance rights to its Chief Executive Officer. The rights were valued using a binomial valuation model. These performance rights were issued in equal tranches, each with different performance milestones. Each performance right will convert into 1 ordinary share of DY6 Metals Limited upon achievement of the performance milestone.

The company has assessed the probability of achievement of each class being achieved and have recognised an expense accordingly. The details of each class are tabled below:

Tranche	Number of Performance Shares	Grant Date	Exercise Price	Probability of achievement of milestone	Expiry Date of Performance Right	Expected Date of Milestone Achievements	Underlying Share Price	Total Fair Value
1	750,000	27/07/23	\$0.0001	100%	27/07/24	27/07/24	\$0.20	\$150,000
2	750,000	27/07/23	\$0.0001	20%	27/07/25	27/07/25	\$0.20	\$30,000
3	600,000	27/07/23	\$0.0001	15%	27/07/26	27/07/26	\$0.20	\$18,000
4	600,000	27/07/23	\$0.0001	10%	27/07/26	27/07/26	\$0.20	\$12,000
5	600,000	27/07/23	\$0.0001	5%	27/07/26	27/07/26	\$0.20	\$6,000

Tranche 1 to 5 performance rights were valued at their issue dates and the expense recognised over the life of expected achievement of the milestone, resulting in an expense during the year of \$164,392. This expense has been expensed as managements benefits expense.

Details of performance milestones as follows:

(i) Milestone 1

the announcement or announcements by the Company achieving and maintaining a VWAP share price of not less than \$0.50 for a continuous period of 20 trading days;

(ii) Milestone 2

the announcement or announcements by the Company to ASX that the Company delineating a JORC or NI43-101 compliant Mineral Resource at the Machinga prospect of a minimum of 5Mt and having a minimum grade of 0.75% *TREO + Nb₂O₅;

(iii) Milestone 3

the announcement or announcements by the Company to ASX that the Company has delineated a JORC or NI43-101 compliant Mineral Resource at Salambidwe of a minimum of 10Mt and having a minimum grade of 1.5% *TREO + Nb₂O₅;

(iv) Milestone 4

the announcement or announcements by the Company to ASX that the Company making a formal application to the mines department for a Mining License covering the Machinga project; and

(iv) Milestone 5

the announcement or announcements by the Company to ASX that the Company making a formal application to the mines department for a Mining License covering the Salambidwe project.

*TREO + Nb₂O₅ within four years from the date of Settlement

*TREO = Total Rare Earth Oxides (La through Lu + Y)

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

On 4 September 2023, the Company issued 500,000 performance rights to its Malawian Senior Exploration Geologist. The rights were valued using a binomial valuation model. These performance rights were issued in equal tranches, each with different performance milestones. Each performance right will convert into 1 ordinary share of DY6 Metals Limited upon achievement of the performance milestone.

The company has assessed the probability of achievement of each class being achieved and have recognised an expense accordingly. The details of each class are tabled below:

Tranche	Number of Performance Shares	Grant Date	Exercise Price	Probability of achievement of milestone	Expiry Date of Performance Right	Expected Date of Milestone Achievements	Underlying Share Price	Total Fair Value
1	125,000	04/09/23	\$0.0001	20%	04/09/25	04/09/25	\$0.20	\$5,000
2	125,000	04/09/23	\$0.0001	15%	04/09/26	04/09/26	\$0.20	\$3,750
3	125,000	04/09/23	\$0.0001	10%	04/09/26	04/09/26	\$0.20	\$2,500
4	125,000	04/09/23	\$0.0001	5%	04/09/26	04/09/26	\$0.20	\$1,250

Tranche 1 to 4 performance rights were valued at their issue dates and the expense recognised over the life of expected achievement of the milestone, resulting in an expense during the year of \$4,109. This expense has been expensed as managements benefits expense.

Details of performance milestones as follows:

(i) Milestone 1

the announcement or announcements by the Company to ASX that the Company delineating a JORC or NI43-101 compliant Mineral Resource at the Machinga prospect of a minimum of 5Mt and having a minimum grade of 0.75% *TREO + Nb₂O₅;

(ii) Milestone 2

the announcement or announcements by the Company to ASX that the Company has delineated a JORC or NI43-101 compliant Mineral Resource at Salambidwe of a minimum of 10Mt and having a minimum grade of 1.5% *TREO + Nb₂O₅;

(iii) Milestone 3

the announcement or announcements by the Company to ASX that the Company making a formal application to the mines department for a Mining License covering the Machinga project; and

(iv) Milestone 4

the announcement or announcements by the Company to ASX that the Company making a formal application to the mines department for a Mining License covering the Salambidwe project.

*TREO + Nb₂O₅ within four years from the date of Settlement

*TREO = Total Rare Earth Oxides (La through Lu + Y)

(e) Equity Instrument disclosures relating to KMP

(i) Options provided as remuneration and shares issued on exercise of such options

Details of options over ordinary shares in the Company provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in the Remuneration Report, if applicable.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

(ii) Option holdings

The number of options over ordinary shares held by each KMP of the Group during the financial year is as follows:

2024 Name	Balance at the start of the year	Granted during the year as remuneration	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Directors						
Daniel Smith	2,225,000	-	-	-	2,225,000	2,225,000
John Kay	2,140,000	-	-	-	2,140,000	2,140,000
Nannan He	225,278	-	-	-	225,278	225,278
Myles Campion	562,500	-	-	-	562,500	562,500
Total	5,177,778	-	-	-	5,177,778	5,177,778

(iii) Performance rights

The number of performance rights over ordinary shares held by each KMP of the Group during the financial year is as follows:

2024 Name	Balance at the start of the year	Granted during the year as remuneration	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Directors						
Daniel Smith	750,000	-	(500,000)	-	250,000	-
John Kay	750,000	-	(500,000)	-	250,000	-
Nannan He	-	-	-	-	-	-
Myles Campion	-	-	-	-	-	-
Total	1,500,000	-	(1,000,000)	-	500,000	-

(iv) Share holdings

The numbers of shares in the Company held during the financial year by each Director of DY6 Metals Ltd and other key management personnel of the consolidated group are set out below.

2024	Balance at the start of the year	Received during the year on the exercise of options	Shares acquired during the year	Balance at the end of the year
Directors				
Daniel Smith	3,287,500	500,000	247,500	4,035,000
John Kay	3,105,000	500,000	-	3,605,000
Nannan He	925,556	-	-	925,556
Myles Campion	565,000	-	100,000	665,000
Total	7,883,056	1,000,000	347,500	9,230,556

(f) Loans to Directors and executives

No loans were made to Directors DY6 Metals Ltd or other key management personnel of the consolidated group, including their personally-related entities.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

(g) Other transactions with Directors and other key management personnel

Other transactions with Directors and other key management personnel, including amounts paid and owing at 30 June 2024, are set out below:

Key management personnel or their related party	Nature of transactions	30 June 2024
Minerva Corporate Pty Ltd / Daniel Smith	Accounting services	\$54,000
Minerva Corporate Pty Ltd / Daniel Smith	Consulting fees	\$23,125
Arcadia Corporate Pty Ltd / John Kay	Company secretarial services	\$54,000
Geosmart Consulting Pty Ltd / Nannan He ¹	Consulting fees	\$6,250

¹Geosmart Consulting Pty Ltd is an entity controlled by the spouse of Nannan He

(h) Additional information

The Company has a share trading policy which imposes basic trading restrictions on all employees of the Company with 'insider information', and additional trading restrictions on the Directors of the Company.

Full details of the Share Trading Policy can be found on the Company's website.

No options provided as remuneration were exercised during the year.

Relationship between remuneration and the Group's performance

The following table shows key performance indicators for the Group over the last five years:

	2024	2023	2022	2021	2020
Loss for the year	\$1,536,145	\$804,162	n/a	n/a	n/a
Closing Share Price	\$0.07	\$0.20	n/a	n/a	n/a
KMP Incentives	\$202,422	\$124,405	n/a	n/a	n/a
Total KMP Remuneration	\$202,422	\$124,405	n/a	n/a	n/a

Remuneration Consultants

The Group did not engage the services of any remuneration consultants during the year.

END OF AUDITED REMUNERATION REPORT

SHARES UNDER OPTION

The following unissued ordinary shares of DY6 Metals Ltd under option are on issue as at the date of this report:

- 3,000,000 options exercisable at \$0.30 expiring 23 June 2026
- 5,500,000 options exercisable at \$0.25 expiring 28 December 2026
- 500,000 options exercisable at \$0.25 expiring 28 February 2027

SHARES ISSUED ON THE EXERCISE OF OPTIONS

During the financial period ended 30 June 2024, there were nil shares of DY6 Metals Ltd issued upon the exercise of options. None have been issued since the end of the financial year.

DIRECTORS' REPORT

INSURANCE OF OFFICERS

Since the end of the previous financial year the consolidated group has paid insurance premiums in respect of directors' and officers' legal expenses and liability insurance. The policies prohibit disclosure of details of the policies or the premiums paid. The Company has not otherwise, during or since the end of the year, except at the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or any of its controlled entities against a liability incurred as such an officer or auditor.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Consolidated Group are important.

Details of the amounts paid or payable to the auditor (Moore Australia Audit (WA)) for audit and non-audit services provided during the year are set out below.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the Board in its capacity as the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to the auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 27.

During the period the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms.

	2024 \$	2023 \$
Assurance services		
Audit Services		
Moore Australia Audit (WA)	31,788	37,125
Total remuneration for audit services	31,788	37,125
Non-Assurance services		
Other Services		
Moore Australia Corporate Finance (WA) Pty Ltd	-	15,000
Moore Australia (WA) Pty Ltd	5,000	-
Total remuneration for other services	5,000	15,000

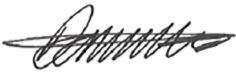
DIRECTORS' REPORT

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsible on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under Section 237 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read "Daniel Smith", with a long horizontal flourish extending to the right.

Daniel Smith
Non-Executive Chairman

30 September 2024

Auditor's Independence Declaration **Under Section 307c of the Corporations Act 2001**

To the directors of DY6 Metals Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



Suan Lee Tan
Partner – Audit and Assurance
[Moore Australia Audit \(WA\)](#)
Perth
30th day of September 2024



Moore Australia Audit (WA)
Chartered Accountants

FINANCIAL REPORT – 30 JUNE 2024

This financial report includes the consolidated financial statements and notes of DY6 Metals Ltd and its controlled entities ('Consolidated Group' or 'Group') for the financial year 30 June 2024. The financial report is presented in the Australian currency.

DY6 Metals Ltd is a company limited by shares, incorporated and domiciled in Australia. Its principal place of business and registered office are both:

DY6 Metals Ltd
Level 8, 99 St Georges Terrace
Perth WA 6000

A description of the nature of the Group's operations and principal activities is included in the Review of Operations in the Directors' report.

The financial report was authorised for issue by the Directors on 30 September 2024. The Company has the power to amend and reissue the financial report.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the Company. All press releases, financial reports and other information are available on our website: www.dy6metals.com.

For queries in relation to our reporting please call +61 8 9486 4036 or email dan.smith@dy6metals.com

DY6 METALS LTD
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Revenue from Continuing Operations			
Other income	4	99,058	9,639
		99,058	9,639
Employee benefit expense	18	(614,770)	(115,000)
Consultants and advisors	5	(298,929)	(228,457)
Corporate costs	5	(66,980)	(160,021)
Depreciation		(14,053)	-
Insurance		(44,204)	(31,469)
Investor and public relations		(120,363)	(75,435)
Other expenses	5	(269,373)	(79,014)
Share based payments	5	(206,531)	(124,405)
Loss before income tax		(1,536,145)	(804,162)
Income tax expense/(benefit)	6	-	-
Loss after tax from continuing operations		(1,536,145)	(804,162)
Loss for the year attributable to ordinary equity holders of DY6 Metals Ltd		(1,536,145)	(804,162)
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Movement in foreign currency translation		(23,657)	847
Other comprehensive income for the year		-	-
Total comprehensive loss for the year attributable to ordinary equity holders of DY6 Metals Ltd		(1,559,802)	(803,315)
Loss per share for the year attributable to members of DY6 Metals Ltd			
Continuing operations		(2.68)	(10.45)
Total basic and diluted (loss) per share	15	(2.68)	(10.45)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

DY6 METALS LTD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Notes	2024	2023
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	7	2,586,813	6,816,291
Trade and other receivables	8	90,164	104,106
Total Current Assets		<u>2,676,977</u>	<u>6,920,397</u>
Non-Current Assets			
Motor vehicle, plant & equipment		45,252	-
Exploration and evaluation expenditure	9	4,784,695	2,601,527
Total Non-Current Assets		<u>4,829,947</u>	<u>2,601,527</u>
Total Assets		<u>7,506,924</u>	<u>9,521,924</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	10	259,659	909,976
Total Current Liabilities		<u>259,659</u>	<u>909,976</u>
Total Liabilities		<u>259,659</u>	<u>909,976</u>
Net Assets		<u>7,247,265</u>	<u>8,611,948</u>
EQUITY			
Contributed equity	13	9,036,783	8,559,823
Reserves	14	550,789	856,287
Accumulated losses	14	(2,340,307)	(804,162)
Total Equity		<u>7,247,265</u>	<u>8,611,948</u>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

DY6 METALS LTD
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2024

	Contributed equity	Accumulated Losses	Performance rights reserve	Options reserve	Foreign currency translation reserve	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	8,559,823	(804,162)	450,342	405,098	847	8,611,948
Total comprehensive loss	-	(1,536,145)	-	-	-	(1,536,145)
Other comprehensive income	-	-	-	-	-	-
Foreign currency translation	-	-	-	-	(23,657)	(23,657)
Total comprehensive loss for the year	-	(1,536,145)	-	-	(23,657)	(1,559,802)
Transaction with owner, directly recorded in equity						
Share issue costs	(11,412)	-	-	-	-	(11,412)
Performance rights converted to shares	488,372	-	(281,841)	-	-	206,531
Foreign currency translation reserve	-	-	-	-	-	-
Balance at 30 June 2024	9,036,783	(2,340,307)	168,501	405,098	(22,810)	7,247,265
Balance at incorporation (3 November 2022)	-	-	-	-	-	-
Total comprehensive loss	-	(804,162)	-	-	-	(804,162)
Other comprehensive income	-	-	-	-	-	-
Foreign currency translation	-	-	-	-	847	847
Total comprehensive loss for the year	-	(804,162)	-	-	847	(803,315)
Transaction with owner, directly recorded in equity						
Shares issued during the year, net of costs	8,559,823	-	-	-	-	8,559,823
Performance rights issued	-	-	450,342	-	-	450,342
Options issued	-	-	-	405,098	-	405,098
Foreign currency translation reserve	-	-	-	-	-	-
Balance at 30 June 2023	8,559,823	(804,162)	450,342	405,098	847	8,611,948

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

DY6 METALS LTD
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2024

	Note	2024	2023
		\$	\$
Cash Flows from Operating Activities			
Payments to suppliers and employees		(1,499,370)	(517,418)
Interest received		99,058	9,639
Net cash outflow from operating activities	21	<u>(1,400,312)</u>	<u>(507,779)</u>
Cash Flows from Investing Activities			
Payments for motor vehicle, plant & equipment		(56,675)	-
Payments for exploration and evaluation expenditure		(2,312,144)	(381,283)
Net cash outflow from investing activities		<u>(2,368,819)</u>	<u>(381,283)</u>
Cash Flows from Financing Activities			
Proceeds from the issue of shares		-	7,705,353
Transaction costs related to issue of shares		(460,347)	-
Net cash inflow from financing activities		<u>(460,347)</u>	<u>7,705,353</u>
Net increase/(decrease) in cash and cash equivalents		(4,229,478)	6,816,291
Cash and cash equivalents at beginning of year		6,816,291	- ¹
Cash and cash equivalents at end of year	7	<u>2,586,813</u>	<u>6,816,291</u>

¹ Cash at 3 November 2022 (date of incorporation)

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. The financial report includes the consolidated financial statements and notes of DY6 Metals Ltd and its controlled entities ('Consolidated Group' or 'Group').

Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards and Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. DY6 Metals Ltd is a for profit entity for the purposes of preparing the financial statements.

Compliance with IFRS

These consolidated financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

These financial statements have been prepared under the historical cost convention.

Comparatives

The financial statement comparatives cover the period from 3 November 2022 to 30 June 2023 as the Company was only incorporated on 3 November 2022.

Critical accounting estimates

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Going Concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Group incurred a net loss after tax for the year ended 30 June 2024 of \$1,536,145 (2023: \$804,162) and experienced a net aggregate cash outflow from operating and investing activities of \$3,769,131 (2023: \$889,062). At 30 June 2024, the cash and cash equivalents balance was \$2,586,813 (2023: \$6,816,291).

The Directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all currently forecasted commitments and working capital requirements for the 12 month period from the date of signing this financial report.

Based on the cash flow forecasts, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, the Directors are confident of the Company's ability to control expenditures and raise additional funds as and when they are required, should the need arise. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to meet its debts as and when they fall due.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(a) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (DY6 Metals Ltd) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 22.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealized gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

(b) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(c) Exploration and evaluation expenditure

Evaluation and evaluation expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(d) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(e) Employee benefits

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Defined contribution superannuation benefits

All employees of the Group receive defined contribution superannuation entitlements, for which the Group pays the fixed superannuation guarantee contribution (currently 11.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Group's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Group's statement of financial position.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(f) Employee benefits (continued)

Equity-settled compensation

Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to equity. The fair value of options and performance rights are determined using the Black-Scholes and/or binomial pricing models respectively. Where there are non-market performance conditions attached the number of performance rights and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

(g) Revenue recognition

All revenue is stated net of the amount of goods and services tax (GST).

(h) Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(i) Income tax

The income tax expense (benefit) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(i) Income tax (continued)

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

(k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(l) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit after tax attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share

Potential shares as a result of options outstanding at the end of the year are not dilutive and therefore have not been included in the calculation of diluted earnings per share.

(m) Foreign currency transactions and balances

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(m) Foreign currency transactions and balances

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- a. Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- b. Income and expenses are translated at average exchange rates for the period; and
- c. Share capital and retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

(n) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

(o) New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The Directors have determined that these new standards do not materially impact the Group.

(p) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2024. Management is currently assessing the impact if these standards on the Group's financial statements in the year of initial application.

(q) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(q) Financial Instruments (continued)

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Company's accounting policy.

NOTE 2 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks; market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group is engaged in mineral exploration and evaluation, and does not currently sell product and derives only limited revenue from interest earned.

Risk management is carried out by the board as a whole and no formal risk management policy has been adopted but is in the process of development.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 2 FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group operates internationally and is exposed to foreign exchange risk arising from currency exposures to the Malawian Kwacha and the United States Dollar. Since the Group has not yet commenced mining operations or to sell products the exposure is limited to the movement in loan accounts between the Parent and the Subsidiary located in Malawi.

The Group limits its foreign currency risk by limiting funds held in overseas bank accounts and paying its creditors promptly. The Group's exposure to foreign currency risk on Malawian Kwacha and United States Dollars, translated into Australian Dollars at 30 June, was as follows:

	2024	2023
	AUD	AUD
Foreign currency assets and liabilities		
Cash and cash equivalents	156,288	88,966
Trade and other payables	-	-

(ii) Interest rate risk

From time to time the Group has significant interest bearing assets, but they are as a result of the timing of equity raising and capital expenditure rather than a reliance on interest income. Exposure to interest rates is limited to the cash and cash equivalents balances.

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

2024	Floating Interest Rate	Non-interest bearing	Total
	\$	\$	\$
Financial assets			
Cash and cash equivalents	2,586,813	-	2,586,813
Trade and other receivables		90,164	90,164
	<u>2,586,813</u>	<u>90,164</u>	<u>2,676,977</u>
Weighted average interest rate			
Financial liabilities			
Trade and other payables	-	259,659	259,659
	<u>-</u>	<u>259,659</u>	<u>259,659</u>
Net financial assets	<u>2,586,813</u>	<u>(169,495)</u>	<u>2,417,318</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 2 FINANCIAL RISK MANAGEMENT (continued)

(ii) *Interest rate risk (continued)*

2023	Floating Interest Rate \$	Non-interest bearing \$	Total \$
Financial assets			
Cash and cash equivalents	6,816,291	-	6,816,291
Trade and other receivables		104,106	104,106
	<u>6,816,291</u>	<u>104,106</u>	<u>6,920,397</u>
Weighted average interest rate			
Financial liabilities			
Trade and other payables	-	909,976	909,976
	<u>-</u>	<u>909,976</u>	<u>909,976</u>
Net financial assets	<u>6,816,291</u>	<u>(805,870)</u>	<u>6,010,421</u>

Sensitivity analysis

The following table illustrates sensitivities of the Group's exposure to changes in interest rates. The table indicates the impact on how profit reported at balance date would have been affected by changes in the interest rate risk variable that management considers to be reasonably possible.

	2024 \$	2023 \$
Net financial assets subject to variable interest rates	2,586,813	6,816,291
Increase in profits and equity resulting from a 1% pa increase in variable interest rates	25,868	68,162
Decrease in profits and equity resulting from a 1% pa decrease in variable interest rates	(25,868)	(68,162)

The following table illustrates sensitivities of the Group's exposure to changes in foreign exchange rates. The table indicates the impact on how profit and loss reported at balance date would have been affected by changes in the foreign exchange rate variable that management considers to be reasonably possible.

	2024 \$	2023 \$
Decrease in profit and loss income resulting from a 10% increase in Australian Dollar against the Kwacha/USD	30,292	3,841
Increase in profit and loss income resulting from a 10% decrease in Australian Dollar against the Kwacha/USD	(30,292)	(3,841)

The entity is not exposed to material price risk.

Net Fair Value

Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term investments in nature whose carrying value is equivalent to fair value.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 2 FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk

Credit risk exposure represents the extent of credit related losses that the Group may be subject to on amounts to be received from financial assets. Credit risk arises principally from trade and other receivables and cash. The objective of the Group is to minimise the risk of loss from credit risk. Although revenue from operations is minimal, the Group trades only with creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is insignificant. The Group has no concentrations of credit risk, other than holding all its cash with Westpac Bank. The Group's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position.

Credit risk exposures

Credit risks related to balances with bank and other financial institutions is managed by the Board in accordance with Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-. Cash is held with Westpac Bank, which is AA Rated.

The maximum exposure to credit risk is as follows:

	2024	2023
	\$	\$
Current Assets:		
Cash and cash equivalents	2,586,813	6,816,291
Trade and other receivables	90,164	104,106
Non-Current Assets:		
Trade and other receivables	-	-
	2,676,977	6,920,397

(c) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required. Any surplus funds are invested with major financial institutions.

The Group's current financial assets and liabilities are summarised as follows:

	2024	2023
	\$	\$
Cash and cash equivalents	2,586,813	6,816,291
Trade and other receivables	90,164	104,106
Trade and other payables	(259,659)	(909,976)
	2,417,318	6,010,421

The financial liabilities of the Group are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days from the reporting date.

The contractual amounts payable are equal to the carrying amounts in the accounts.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes assumptions concerning the future. All judgments, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. The resulting accounting estimates will, by definition, seldom equal the related actual results. The judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts and assets and liabilities within the next financial year are discussed below:

a) Impairment of assets

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

(b) Share based payments

The Group measures the cost of equity settled transactions with employees by reference to the fair value of equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black-Scholes or Binomial option pricing model, using the assumptions detailed in Note 19.

(c) Capitalised exploration and evaluation expenditures

Determining the recoverability of exploration and evaluation expenditure capitalised in accordance with the Company's accounting policy (refer Note 1(c)), requires estimates and assumptions as to future events and circumstances, in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. The Company applies the principles of AASB 6 and recognises exploration and evaluation assets when the rights of tenure of the area of interest are current, and the exploration and evaluation expenditures incurred are expected to be recouped through successful development and exploitation of the area. If, after having capitalised the expenditure under the Company's accounting policy in Note 1(c), a judgment is made that recovery of the carrying amount is unlikely, an impairment loss is recorded in profit or loss in accordance with the Company's accounting policy in Note 1(c). The carrying amounts of exploration and evaluation assets are set out in Note 9.

	2024	2023
	\$	\$
NOTE 4 REVENUE AND OTHER INCOME		
From continuing operations		
Interest – bank	99,058	9,639
Total Revenue	<u>99,058</u>	<u>9,639</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 5	EXPENSES	2024 \$	2023 \$
	<u>Consultants and advisors</u>		
	Accounting & secretarial	146,071	2,993
	Legal costs	14,544	58,703
	Others	138,314	166,761
	Total consultant and advisors	298,929	228,457
	<u>Corporate costs</u>		
	ASX fees	4,150	98,591
	ASIC fees	5,672	5,455
	Audit fees	42,538	53,125
	Share registry services	14,620	2,850
	Total corporate costs	66,980	160,021
	<u>Other expenses</u>		
	Conferences	32,195	-
	Motor vehicle	10,427	-
	Subscriptions	44,545	7,249
	Travel	68,822	62,530
	Other operating expenses	82,746	9,235
	Rental	30,994	-
	Total other expenses	269,729	79,014
	<u>Share-based payments</u>		
	Director's unlisted options	-	74,063
	Performance rights expensed	206,531	50,342
	Total share-based payments	206,531	124,405
NOTE 6	INCOME TAX EXPENSE		
		2024	2023
		\$	\$
a.	The components of tax expense comprise:		
	Current income tax	-	-
	Deferred tax	-	-
		-	-
b.	The prima facie tax benefit on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
	Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2023: 30%) from ordinary operations:	(460,844)	(241,248)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 6 INCOME TAX EXPENSE (continued)	2024	2023
	\$	\$
Add/(less) tax effect of:		
- Other non-allowable items	196,410	91,596
- Revenue losses not recognised	278,827	146,467
- Other deferred tax balances not recognised	(14,393)	3,185
Income tax expense/(benefit) reported in the consolidated statement of profit or loss and other comprehensive income from ordinary operations	-	-
c. Recognised deferred tax at 30% (2023: 30%)¹:		
Deferred tax liabilities		
Unrealised foreign exchange	(443)	-
Deferred tax assets		
Carry forward revenue losses	443	-
	-	-
d. Unrecognised deferred tax assets at 30% (2023: 30%)¹:		
Carry forward revenue losses	425,294	146,467
Capital raising costs	61,303	81,737
Provisions and accruals	12,485	6,435
Other	-	9
	499,091	234,648

The tax benefits of the above Deferred Tax Assets will only be obtained if:

- (a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised
- (b) the company continues to comply with the conditions for deductibility imposed by law; and
- (c) no changes in income tax legislation adversely affect the company in utilising the benefits.

¹ The corporate tax rate for eligible companies is 25% providing certain turnover thresholds and other criteria are met. All other companies are taxed at 30%. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised or the liability is settled. The Directors have determined that the deferred tax balances be measured at the tax rates stated.

NOTE 7 CASH AND CASH EQUIVALENTS	2024	2023
	\$	\$
Cash and cash equivalents	2,586,813	6,816,291
Reconciliation of Cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash at bank	2,586,813	6,816,291
Bank deposits at call	-	-
Cash on hand	-	-
Cash and cash equivalents	2,586,813	6,816,291

Cash at bank earns an interest rate up to 1.35%. Refer to note 2 for the Group's exposure to interest rate risk.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 8	TRADE AND OTHER RECEIVABLES	2024	2023
		\$	\$
	CURRENT		
	GST refundable	74,092	104,106
	Prepayments	8,990	-
	Other receivables	7,082	-
		<u>90,164</u>	<u>104,106</u>

NOTE 9	EXPLORATION AND EVALUATION EXPENDITURE	2024	2023
		\$	\$
	Exploration and evaluation assets		
	<i>(a) Exploration project acquisition cost</i>		
	Opening balance	2,137,597	-
	Acquisition cost – Green Exploration Limited (Malawi)	22,500	2,137,597
	Total exploration project acquisition cost	<u>2,160,097</u>	<u>2,137,597</u>
	<i>(b) Exploration project expenditure costs</i>		
	Opening balance	463,930	-
	Expenditure incurred	2,160,668	463,930
	Impairment loss on existing tenements	-	-
	Total exploration project expenditure cost	<u>2,624,598</u>	<u>463,930</u>
	Total exploration and evaluation expenditure	<u>4,784,695</u>	<u>2,601,527</u>

On 27 June 2023, the Company finalised the Acquisition of Green Exploration Limited (Malawi).

The Company acquired 100% interest in Green Exploration Limited (Malawi) comprising of tenements granted in the areas of Machinga (EL0529), Salambidwe (EL0518), Ngala Hill (EL0510) and one Exploration Licence Application (APL0251).

This is accounted for as an acquisition of an asset as management believes that this does not meet the definition of business acquisitions as per AASB3.

The fair value of the consideration settled in equity, being 8,000,000 ordinary shares, was measured based on the share price of the company at acquisition date. The presumption that the fair value of the asset acquired can be reliably measured has been rebutted given the speculative nature of the asset being in early exploration phase.

The fair value of the total 3,000,000 Tranche 1 and 2 Performance Rights that may be issued under the arrangements of the Acquisition was calculated at \$400,000 calculated with reference to the share price at date of settlement of \$0.20 and the probability of conditions being met was assessed at 100% on acquisition date.

The fair value of the Tranche 3 Performance Shares that may be issued under the arrangements of the Acquisition was deemed to be nil as the probability of conditions being met was assessed as 0% on acquisition date. Refer to note 19 for the terms of the performance shares.

The fair value of the purchase consideration has been allocated to the acquired asset as at the acquisition date as per the table below:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

**NOTE 9 EXPLORATION AND EVALUATION EXPENDITURE
(continued)**

	2024	2023
	\$	\$
<i>Consideration:</i>		
Opening balance	2,137,597	-
Consideration shares	-	1,600,000
Tranche 1 & 2 performance rights	-	400,000
Cash consideration	22,500	137,597
Total exploration cost acquired	<u>2,160,097</u>	<u>2,137,597</u>

The recoverability of deferred project acquisition costs is dependent upon the successful development and commercial exploitation, or alternately the sale of the areas of interest.

	2024	2023
	\$	\$
NOTE 10 TRADE AND OTHER PAYABLES		
CURRENT		
Trade and sundry creditors	230,659	810,847
Accrued expenses	29,000	99,130
	<u>259,659</u>	<u>909,976</u>

All creditors are non-interest bearing and are normally settled on 30 day terms.

Refer to note 2 for the Group's exposure to liquidity risk.

NOTE 11 COMMITMENTS

Exploration Expenditure Commitments

In order to maintain rights of tenure to exploration tenements the Group is required to perform exploration work to meet the minimum expenditure requirements as specified by various governments.

Outstanding obligations are not provided for in the accounts and are payable:

	2024	2023
	\$	\$
Not later than 1 year	131,315	8,049
Later than 1 year but not later than 5 years	99,571	10,678
Any greater than 5 years	-	-
	<u>230,886</u>	<u>18,727</u>

NOTE 12 CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities at the end of the reporting period.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 13	CONTRIBUTED EQUITY	2024	2023
		\$	\$
(a) Paid Up Capital			
	Ordinary shares – fully paid	9,036,783	8,559,823

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and in a poll each share is entitled to one vote.

(b) Movements in ordinary share capital of the Company:

Date	Details	Number of Shares	Issue Price \$	\$
3 Nov 2022	Opening balance (at incorporation)	-		-
3 Nov 2022	Shares issued at incorporation	4,000,000	0.0001	400
12 Dec 2022	Seed capital raising	2,000,000	0.01	20,000
20 Dec 2022	Seed capital raising	2,500,000	0.05	125,000
15 Feb 2023	Seed capital raising	4,000,000	0.14	560,000
27 Jun 2023	Consideration shares – acquisition of Green Exploration Ltd (Malawi) ^a	8,000,000	0.20	1,600,000
27 Jun 2023	Initial public offer shares	35,000,000	0.20	7,000,000
	Share capital raising costs			(745,577)
30 Jun 2023		55,500,000		8,559,823
17 Nov 2023	Conversion of performance rights to shares	3,000,000		488,372
30 June 2024	Share issue costs			(11,412)
30 June 2024		58,500,000		9,036,783

(c) Performance rights

	2024	2023
	Rights	Rights
Opening balance	4,500,000	¹
Issue of performance rights to directors	-	1,500,000
Issue of performance rights to vendors	-	3,000,000
Issue of performance rights to executives	3,800,000	-
Conversion of performance rights to shares	(3,000,000)	-
Balance at 30 June	5,300,000	4,500,000

¹ At date of incorporation 3 November 2022

^a Consideration shares were non-cash and deemed to be issued \$0.20 per share.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 13 CONTRIBUTED EQUITY (continued)

(d) Option Issues

Options to purchase ordinary shares	2024	2023
	Options	Options
Opening balance	9,000,000	- ¹
Issue of free attaching options to seed shares ^b	-	4,000,000
Issue of directors options	-	2,000,000
Issue of brokers options	-	3,000,000
Balance at 30 June	9,000,000	9,000,000

¹ At date of incorporation 3 November 2022

(e) Option Exercise

During the financial year nil options were exercised.

(f) Option Expiry

During the financial year the no options expired unexercised.

(g) Option Cancellation and Lapse

During the financial year nil options lapsed.

(h) Capital Management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

The capital structure of the Group consists of equity attributable to equity holders of the parent comprising issued capital, reserves and accumulative losses.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The working capital position of the Group was as follows:

	2024	2023
	\$	\$
Cash and cash equivalents	2,586,813	6,816,291
Other receivables	90,164	104,106
Trade and other payables	(259,659)	(909,976)
Working capital position	2,417,318	6,010,421

The Group is not subject to any externally imposed capital requirements.

Refer to note 2 for Financial Risk Management.

^b Free attaching options were issued to founding shareholders and to investors at \$0.05 seed placement.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

	2024 \$	2023 \$
NOTE 14 RESERVES AND ACCUMULATED LOSSES		
(a) Reserves		
Performance rights reserve	168,501	450,342
Options reserve	405,098	405,098
Foreign currency reserve	(22,810)	847
	550,789	856,287
Movements		
<i>Performance rights reserve</i>		
Opening balance	450,342	⁻¹
Performance rights expense – key management personnel	202,422	50,342
Performance rights expense - management	4,109	-
Performance rights issued – project acquisition	-	400,000
Performance rights converted to shares	(488,372)	-
Balance at 30 June	168,501	450,342
Opening balance	405,098	⁻¹
Options issued – expensed in profit and loss	-	74,063
Options issued – capital raising cost as equity	-	331,035
Balance at 30 June	405,098	405,098
<i>Foreign currency reserve</i>		
Opening balance	847	⁻¹
Foreign currency translation	(23,657)	847
Balance at 30 June	(22,810)	847
(b) Accumulated losses		
Movements in accumulated losses were as follows:		
Opening balance	(804,162)	⁻¹
Net loss for the year	(1,536,145)	(804,162)
Balance at 30 June	(2,340,307)	(804,162)

¹ At date of incorporation 3 November 2022

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 14 RESERVES AND ACCUMULATED LOSSES (continued)

(c) Nature and purpose of reserves

Performance rights reserve

This reserve is used to recognise the fair value of performance rights issued.

Options reserve

This reserve is used to recognise the fair value of options issued.

Foreign currency reserve

Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve, as described in Note 1(n). The reserve is recognised in profit or loss when the net investment is disposed of.

	2024 \$	2023 \$
NOTE 15 LOSS PER SHARE ("EPS")		
<i>Earnings per share from continuing operations</i>		
Loss after income tax	(1,536,145)	(804,162)
Weighted average number of shares used in the calculation of the basic EPS.	57,365,753	7,694,521
The number of potential ordinary shares relating to options not exercised at the end of the year. These potential ordinary shares are anti-dilutive and have not been included in the EPS calculations.	-	-
Basic and diluted loss cents per share	(2.68)	(10.45)

NOTE 16 DIVIDENDS

There were no dividends paid or recommended during the financial year ended 30 June 2024.

NOTE 17 RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Refer to Note 18 for additional disclosure.

Other transactions with related parties, including amounts paid and owing at 30 June 2024, are set out below:.

<i>Key management personnel or their related party</i>	<i>Nature of transactions</i>	<i>30 June 2024</i>
Minerva Corporate Pty Ltd / Daniel Smith	Accounting services	\$54,000
Minerva Corporate Pty Ltd / Daniel Smith	Consulting fees	\$23,125
Arcadia Corporate Pty Ltd / John Kay	Company secretarial services	\$54,000
Geosmart Consulting Pty Ltd / Nannan He ¹	Consulting fees	\$6,250

¹Geosmart Consulting Pty Ltd is an entity controlled by the spouse of Nannan He

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 17 RELATED PARTY TRANSACTIONS (continued)

Other transactions with related parties, including amounts paid and owing at 30 June 2023, are set out below:

<i>Key management personnel or their related party</i>	<i>Nature of transactions</i>	<i>30 June 2023</i>
Minerva Corporate Pty Ltd / Daniel Smith	Pre-IPO service fees	\$50,000
Arcadia Corporate Pty Ltd / John Kay	Pre-IPO service fees	\$65,000
Virico (IOM) Limited / Myles Campion	Consulting fees	\$15,000
Geosmart International / Nannan He ²	Capital raising/finder fees	\$105,560

²Geosmart International is an entity controlled by the spouse of Nannan He

Directors and specified executives

Disclosures relating to Directors and specified executives are set out in Directors' Remuneration Report.

Wholly-owned group

The consolidated group consists of DY6 Metals Ltd and its wholly-owned subsidiaries, Green Exploration (Australia) Pty Ltd and Green Exploration Limited (Malawi). Ownership interests in these subsidiaries are set out in Note 22.

Other related parties

There were no transactions or balances with other related parties including director related entities during the year.

NOTE 18 KEY MANAGEMENT PERSONNEL DISCLOSURES

Key Management Personnel (KMP) Compensation

Refer to the Remuneration Report contained in the Director's Report for details of the remuneration paid to each member of the Group's KMP for the year ended 30 June 2024.

The totals of remuneration paid to KMP during the year are as follows:

	2024	2023
	\$	\$
Short term employee benefits	456,720	115,000
Post-employment benefits	28,578	-
Share based payments	202,422	124,405
	<u>687,720</u>	<u>239,405</u>

NOTE 19 SHARE-BASED PAYMENTS

The total expense arising from share-based payment transactions recognised during the period in relation to the performance rights was \$206,531 in share-based payment expenses for the year.

Performance Rights – Management

On 27 July 2023, the Company issued 3,300,000 performance rights to its Chief Executive Officer. The rights were valued using a binomial valuation model. These performance rights were issued in equal tranches, each with different performance milestones. Each performance right will convert into 1 ordinary share of DY6 Metals Limited upon achievement of the performance milestone.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 19 SHARE-BASED PAYMENTS (continued)

The company has assessed the probability of achievement of each class being achieved and have recognised an expense accordingly. The details of each class are tabled below:

Tranche	Number of Performance Shares	Grant Date	Exercise Price	Probability of achievement of milestone	Expiry Date of Performance Right	Expected Date of Milestone Achievements	Underlying Share Price	Total Fair Value
1	750,000	27/07/23	\$0.0001	100%	27/07/24	27/07/24	\$0.20	\$150,000
2	750,000	27/07/23	\$0.0001	20%	27/07/25	27/07/25	\$0.20	\$30,000
3	600,000	27/07/23	\$0.0001	15%	27/07/26	27/07/26	\$0.20	\$18,000
4	600,000	27/07/23	\$0.0001	10%	27/07/26	27/07/26	\$0.20	\$12,000
5	600,000	27/07/23	\$0.0001	5%	27/07/26	27/07/26	\$0.20	\$6,000

Tranche 1 to 5 performance rights were valued at their issue dates and the expense recognised over the life of expected achievement of the milestone, resulting in an expense during the year of \$164,392. This expense has been expensed as managements benefits expense.

Details of performance milestones as follows:

(i) Milestone 1

the announcement or announcements by the Company achieving and maintaining a VWAP share price of not less than \$0.50 for a continuous period of 20 trading days;

(ii) Milestone 2

the announcement or announcements by the Company to ASX that the Company delineating a JORC or NI43-101 compliant Mineral Resource at the Machinga prospect of a minimum of 5Mt and having a minimum grade of 0.75% *TREO + Nb₂O₅;

(iii) Milestone 3

the announcement or announcements by the Company to ASX that the Company has delineated a JORC or NI43-101 compliant Mineral Resource at Salambidwe of a minimum of 10Mt and having a minimum grade of 1.5% *TREO + Nb₂O₅;

(iv) Milestone 4

the announcement or announcements by the Company to ASX that the Company making a formal application to the mines department for a Mining License covering the Machinga project; and

(v) Milestone 5

the announcement or announcements by the Company to ASX that the Company making a formal application to the mines department for a Minince License covering the Salambidwe project.

*TREO + Nb₂O₅ within four years from the date of Settlement

*TREO = Total Rare Earth Oxides (La through Lu + Y)

On 4 September 2023, the Company issued 500,000 performance rights to its Malawian Senior Exploration Geologist. The rights were valued using a binomial valuation model. These performance rights were issued in equal tranches, each with different performance milestones. Each performance right will convert into 1 ordinary share of DY6 Metals Limited upon achievement of the performance milestone.

The company has assessed the probability of achievement of each class being achieved and have recognised an expense accordingly. The details of each class are tabled below:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 19 SHARE-BASED PAYMENTS (continued)

Tranche	Number of Performance Shares	Grant Date	Exercise Price	Probability of achievement of milestone	Expiry Date of Performance Right	Expected Date of Milestone Achievements	Underlying Share Price	Total Fair Value
1	125,000	04/09/23	\$0.0001	20%	04/09/25	04/09/25	\$0.20	\$5,000
2	125,000	04/09/23	\$0.0001	15%	04/09/26	04/09/26	\$0.20	\$3,750
3	125,000	04/09/23	\$0.0001	10%	04/09/26	04/09/26	\$0.20	\$2,500
4	125,000	04/09/23	\$0.0001	5%	04/09/26	04/09/26	\$0.20	\$1,250

Tranche 1 to 4 performance rights were valued at their issue dates and the expense recognised over the life of expected achievement of the milestone, resulting in an expense during the year of \$4,109. This expense has been expensed as managements benefits expense.

Details of performance milestones as follows:

(i) Milestone 2

the announcement or announcements by the Company to ASX that the Company delineating a JORC or NI43-101 compliant Mineral Resource at the Machinga prospect of a minimum of 5Mt and having a minimum grade of 0.75% *TREO + Nb₂O₅;

(ii) Milestone 3

the announcement or announcements by the Company to ASX that the Company has delineated a JORC or NI43-101 compliant Mineral Resource at Salambidwe of a minimum of 10Mt and having a minimum grade of 1.5% *TREO + Nb₂O₅;

(iv) Milestone 4

the announcement or announcements by the Company to ASX that the Company making a formal application to the mines department for a Mining License covering the Machinga project; and

(v) Milestone 5

the announcement or announcements by the Company to ASX that the Company making a formal application to the mines department for a Minince License covering the Salambidwe project.

*TREO + Nb₂O₅ within four years from the date of Settlement

*TREO = Total Rare Earth Oxides (La through Lu + Y)

(d) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year as part of director benefits or share based payment expense were as follows:

	2024	2023
	\$	\$
Options issued to directors	-	74,063
Performance rights issued to directors	38,030	50,342
Performance rights issued to managements	168,501	-
	206,531	124,405

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 20 OPERATING SEGMENTS

Identification of reportable segments

The Group operates predominantly in the mining industry. This comprises exploration and evaluation of minerals and metals that are used in the power generation and electric vehicle sectors. Inter-segment transactions are priced at cost to the Consolidated Group.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The financial statements presented above are the same as the reports the directors review. The Company operates exclusively in one segment, which is mineral exploration in Malawi.

NOTE 21 RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

(a) Reconciliation of operating loss after income tax to the net cash flow from operations:	2024	2023
	\$	\$
Operating loss after income tax	(1,536,145)	(804,162)
Adjustment for non-cash items:		
- Share-based payments expense	206,531	124,405
- Depreciation and amortisation	14,053	-
- Exploration expenses classified as investing	126,348	-
-Trade and other payables classified as financing	448,934	-
-Foreign currency translation reserve	(23,657)	847
Change in operating assets and liabilities:		
-Trade and other receivables	22,932	(104,106)
-Trade and other payables and provisions	(650,318)	275,237 ^(a)
-Prepayments	(8,990)	-
Net cash outflow from operating activities	(1,400,312)	(507,779)

(a) Excludes payables relating to capital raising costs (\$414,495) and capitalised exploration costs (\$220,244).

NOTE 22 SUBSIDIARIES

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding	Equity Holding
			2024	2023
			%	%
Green Exploration (Australia) Pty Ltd	Australia	Ordinary	100	100
Green Exploration Limited	Malawi	Ordinary	100	100

Green Exploration Limited (Malawi) acquisition

On 27 June 2023, the Company issued 8,000,000 ordinary shares valued at \$1,600,000, issued 3,000,000 performance rights valued at \$400,000 and paid net cash of \$137,597 to vendors in respect to the acquisition of Green Exploration Limited (Malawi). Refer to Note 13(b) for further details of the ordinary shares issued.

None of the above entities had any material assets or liabilities at acquisition date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

	2024	2023
	\$	\$
NOTE 23 PARENT ENTITY DISCLOSURES		
The following information has been extracted from the books and records of the Company and has been prepared in accordance with Accounting Standards		
(a) Financial Position of DY6 Metals Ltd		
ASSETS		
Current Assets	3,154,663	6,917,556
Non Current Assets	4,677,985	2,563,000
TOTAL ASSETS	<u>7,832,648</u>	<u>9,480,856</u>
LIABILITIES		
Current Liabilities	<u>(259,659)</u>	869,706
TOTAL LIABILITIES	<u>(259,659)</u>	869,706
EQUITY		
Contributed equity	9,036,783	8,559,823
Reserves	573,599	855,440
Accumulated losses	<u>(2,037,393)</u>	<u>(804,114)</u>
TOTAL EQUITY	<u>7,572,989</u>	<u>8,611,149</u>

(b) Financial Performance of DY6 Metals Ltd

	2024	2023
	\$	\$
Loss for the year	<u>(1,233,279)</u>	(804,114)
Total comprehensive loss	<u>(1,233,279)</u>	<u>(804,114)</u>

(c) Guarantees entered into by DY6 Metals Ltd to the debts of its subsidiaries

There are no guarantees entered into by DY6 Metals Ltd for the debts of its subsidiaries as at 30 June 2024 and 30 June 2023.

(d) Contingent liabilities of DY6 Metals Ltd

There are no contingent liabilities as at 30 June 2024 and 30 June 2023.

(e) Commitments DY6 Metals Ltd

There are no commitments as at 30 June 2024 and 30 June 2023 other than those disclosed in note 11.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

NOTE 24 REMUNERATION OF AUDITORS

During the period the following fees were paid or payable for services provided by the auditors of the Group, their related practices and non-related audit firms.

	2024	2023
	\$	\$
Assurance services		
Audit Services		
Moore Australia Audit (WA)	31,788	37,125
Total remuneration for audit services	<u>31,788</u>	<u>37,125</u>
Non-Assurance services		
Other Services		
Moore Australia Corporate Finance (WA) Pty Ltd	-	15,000
Moore Australia (WA) Pty Ltd	5,000	-
Total remuneration for other services	<u>5,000</u>	<u>15,000</u>

NOTE 25 EVENTS OCCURRING AFTER THE BALANCE DATE

Mr Lloyd Kaiser resigned as CEO of the Company on 10 July 2024.

The Company completed a reconnaissance sampling program at its Ngala Hill PGE prospect on 28 August 2024, with results from assays expected in the coming weeks.

Other than the above no matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect:

- (i) the Group's operations in future financial years; or
- (ii) the results of those operations in future financial years; or
- (iii) the Group's state of affairs in future financial years.

**CONSOLIDATED ENTITY DISCLOSURE STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2024**

Entity name	Entity type	Country of Incorporation	Country of tax residence	Body corporate of ownership interest	
				2024 %	2023 %
Legal parent					
DY6 Metals Limited	Body corporate	Australia	Australia		
Legal Subsidiaries					
Green Exploration Pty Ltd	Body corporate	Australia	Australia	100	100
Green Exploration Ltd	Body corporate	Malawi	Malawi	100	100

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5

- Foreign tax residency


Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

**DIRECTOR'S DECLARATION
FOR THE PERIOD ENDED 30 JUNE 2024**

The directors of the company declare that:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and accompanying notes, are in accordance with the Corporations Act 2001 and:
 - a. comply with Accounting Standards and the Corporations Regulations 2001, and other mandatory professional reporting requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2024 and of the performance of the year ended on that date of the consolidated group.
2. 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.
3. In the directors' opinion, the financial statements and notes are prepared in compliance with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board.
4. The consolidated entity disclosure statement for DY6 Metals Ltd and its controlled entities as at 30 June 2024 is true and correct.
5. The remuneration disclosures included in pages 17 to 24 within the directors' report (as part of the audited Remuneration Report), for the year ended 30 June 2024, comply with section 300A of the *Corporations Act 2001*.
6. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



Daniel Smith
Non-Executive Chairman

30 September 2024

Independent Auditor's Report To the members of DY6 Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of DY6 Metals Limited (the Company) and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2024, 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 year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration. The Group consists of the Company and the entities it controlled at the year-end or from time to time during the financial period

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter
How the matter was addressed in our audit
Exploration and Evaluation
Refer to Notes 1(c) Exploration and evaluation expenditure, 3(c) – Critical Accounting Estimates & Judgment and 9 – Exploration and Evaluation Expenditure

The Group's total exploration and evaluation expenditure capitalized for the year was \$4.78 million at balance date, being its single largest asset.

The ability to recognise and defer exploration and evaluation assets under AASB 6: Exploration and Evaluation ("E & E") for Mineral Resources is impacted by the Group's ability and intention to continue to explore the tenements or its ability to realise this value through development or sale.

Due to the significance of these assets and the subjectivity involved in assessing the ability to continue to defer these assets, this is considered a key audit matter

Our audit procedures included:

- Assessing the Group's accounting policy for compliance with AASB 6.
- Agreeing additions to supporting documentation such as acquisition agreements & tested a sample of E & E expenditures capitalised during the year to supporting invoices.
- Reviewed tenement registers/licenses & other documents to ensure the Group has ongoing tenement rights.
- Assessing & evaluating management's assessment on capitalised E & E expenditure recognition and that no indicators of impairment existed at the reporting date.
- Assessing and evaluating management's assessment that exploration and evaluation activities have not yet reached a stage where the existence of an economically recoverable mineral reserve may be assessed.
- Enquiring with management and reviewing budgets and other supporting documentation such as subsequent ASX announcements as evidence that active and significant operations in, or relation to, the area of interest will be continued in the future.
- Assessing the carrying value of these assets for any indicators of impairment including reviewing management's assessment of their carrying values against the Company's market capitalisation.

Going Concern
Refer to Note 1 Going Concern

The Group's use of the going concern basis of accounting and the associated extent of uncertainty is a key audit matter due to the high level of judgement required by us in evaluating the Group's assessment of going concern and the events or conditions that may cast significant doubt on their ability to continue as a going concern. These are outlined in Note 1.

The Directors have determined that the use of going concern basis of accounting is appropriate in preparing

Our audit procedures included:

- Analysing the cash flow projections by:
 - Evaluating the underlying data used to prepare the projections. We compared forecast expenditures with historical actuals for consistency based on the Group's intentions, as outlined in Directors' minutes and ASX announcements.
 - Assessing the accuracy and reliability of the underlying forecast data by comparing the forecast cash data against the actual current bank balance.

the financial report. Their assessment was based on cash flow projections to September 2025. These projections incorporated a number of assumptions and judgements which have led to the Directors to affirm the Group's ability to continue as a going concern.

We critically assessed the levels of uncertainty as it related to the Group's ability to continue as a going concern.

- Assessing the planned levels of operating expenditures and evaluation of any committed expenditures with respect to their exploration assets
- Assessing for any non-routine forecast cash inflows for feasibility and timing based on management's expectations.
- Evaluating the Group's going concern disclosures in the financial report by comparing them to our understanding of the matter, the events or conditions incorporated into cash flow project assessment.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and
- c) for such internal control as the directors determine is necessary to enable the preparation of:
 - i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
 - ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report as included in the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of DY6 Metals Limited, for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



SUAN LEE TAN
Partner – Audit and Assurance
[Moore Australia Audit \(WA\)](#)
Perth
30th day of September 2024



Moore Australia Audit (WA)
Chartered Accountants

ADDITIONAL INFORMATION

Information required by Australian Securities Exchange Limited and not shown elsewhere in this report is as follows:-

- a) The following is the distribution of equity security holders as at 22 September 2024.

Distribution of Shareholders	No. of Shareholders	No. of Units
Size of Holding		
1 – 1,000	16	2,974
1,001 – 5,000	42	160,735
5,001 – 10,000	105	980,846
10,001 – 100,000	244	9,667,954
100,001 and over	67	47,687,491
Total	474	58,500,000
Number of holders of less than marketable parcels at \$0.045 per unit:	171	1,230,756

- b) The following shareholders hold 5% or more of the issued capital of the Company as per substantial shareholder notices lodged with ASX:

Name	Units	% Units
ZHENSHI GROUP (HK) HESHI COMPOSITE MATERIALS CO LIMITED	7,500,000	12.82
CHUNG NAM NEW MATERIAL COMPANY LIMITED	5,000,000	8.55
FIRST ARROW INVESTMENTS PTY LTD <THE FIRST ARROW A/C>	3,605,000	6.16
ORWELLIAN INVESTMENTS & BRIDGE THE GAP TRADING PTY LTD	4,035,000	6.89

- c) Twenty largest shareholders as at 22 September 2024:

Rank	Name	Units	% Units
1	ZHENSHI GROUP (HK) HESHI COMPOSITE MATERIALS CO LIMITED	7,500,000	12.82
2	CHUNG NAM NEW MATERIAL COMPANY LIMITED	5,000,000	8.55
3	FIRST ARROW INVESTMENTS PTY LTD <THE FIRST ARROW A/C>	3,605,000	6.16
4	BRIDGE THE GAP TRADING PTY LTD	2,950,000	5.04
5	MUHAMMED AASIN HASSAM	2,500,000	4.27
5	MR BIN LIU	2,500,000	4.27
7	DESIREE ROUX	2,150,000	3.68
7	VINO GURU WINE CONSULTANTS PTY LTD	2,150,000	3.68
9	CHRISTIAN JACOBUS LE LOUX	1,397,500	2.39
10	BNP PARIBAS NOMS PTY LTD	1,084,322	1.85
11	MR YUAN WANG	1,000,000	1.71
12	WOODSOUTH ASSET MANAGEMENT PTY LTD	925,556	1.58
13	MRS TAOYUN LUO	800,000	1.37
14	WINDELLAMA SUPER PTY LTD	752,500	1.29
15	SIMON KERSEY	750,000	1.28
16	ORWELLIAN INVESTMENTS PTY LTD	646,250	1.10
17	MR NING XIE	562,088	0.96
18	FILMRIM PTY LTD <MAJUFE SUPER A/C>	560,000	0.96
19	YARRA RIVER CAPITAL MANAGEMENT PTY LTD	500,000	0.85

20	ORWELLIAN INVESTMENTS PTY LTD	438,750	0.75
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		37,771,966	64.57
Total Remaining Holders Balance		20,728,034	35.43

d) Voting Rights

Registered holders of ordinary shares in the capital of the Company may attend and vote at general meetings of the Company in person or by proxy and may exercise one vote for each share held. Every person present at a general meeting as an ordinary shareholder shall have one vote on a show of hands.

e) There are currently no on-market buybacks in process.

f) There following securities are currently subject to escrow.

Security	Number	Restriction Period
Shares	7,089,167	Expiring 24 months from the date of quotation.
Options	8,302,778	Expiring 24 months from the date of quotation.
Performance Rights	1,500,000	Expiring 24 months from the date of quotation.

g) As at 22 September 2024 the following class of unquoted securities had a holder with greater than 20% of the class on issue:

Class/Name	Number of Securities Held	% Held
<i>Options exercisable at \$0.30 each on or before 23 June 2026</i>		
CHALEYER HOLDINGS PTY LTD <RUBBEN FAMILY A/C>	1,050,000	35%
QINGTAO ZENG	1,000,000	33.33%
<i>Options exercisable at \$0.25 each on or before 12 December 2026</i>		
BRIDGE THE GAP TRADING PTY LTD	1,375,000	50%
FIRST ARROW INVESTMENT PTY LTD	1,375,000	50%
<i>Options exercisable at \$0.25 each on or before 28 December 2026</i>		
BRIDGE THE GAP TRADING PTY LTD	850,000	41.41%
FIRST ARROW INVESTMENT PTY LTD	765,000	37.27%

h) Interest in mining and exploration permits

Project	Tenement Details	Held at end of period	State/ Country
Machinga	EL0529 & EPL0705	100%	Malawi
Salambidwe	EL0518	100%	Malawi
Ngala Hill	EL0510	100%	Malawi
Tundulu	EL0731	100%	Malawi
Mzimba	APL0540, EL0732, APL0538	100%	Malawi
Karonga	APL0526	100%	Malawi