High Grade Copper at Browns Pb-Zn-Ag Prospect at Lyons River, Gascoyne Province

Highlights

Copper Potential

- **High grade copper with assay results of 54.8% from rock chip sampling over the expanded 3.5km X 2km Browns base metal Pb-Zn-Ag-Cu prospect.**
- **Copper assays of 1.64% also recorded at the Four Corners Pb-Zn-Ag prospect and other areas following a review of historical data and assessment of copper potential of Lyons River Project.**

Pb-Zn-Ag Potential

- **Maiden aircore drilling (AC) at Browns in the second half of 2022 had returned significant base metal plus silver assay results confirming the discovery of a BHT mineralized system in the Gascoyne Province including:**
  - ***10m @ 1.04% Pb, 0.49% Zn, 2.85g/t Ag from 37m (LRAC010) Including 1m @ 3.13% Pb, 0.24% Zn,5g/t Ag from 38m***
  - ***63m @ 1.76g/t Ag from 16m (LRAC032)***
  - ***16m @ 1.43g/t Ag from 68m (LRAC033)***
  - ***21m @ 0.33% Pb, 0.17% Zn, 0.52g/t Ag from 1m (LRAC034)***
- **An Exploration Incentive Scheme ("EIS") grant of $180,000 has been awarded to co-fund maiden diamond drill program at Browns. Four deep diamond drill holes are being planned to test the significant Browns base metal and copper target.**
- **Induced Polarisation surveys to be completed at Browns to model deeper sulphide mineralisation prior to diamond drill testing.**
- **Area wide heritage surveys completed at Browns and POW approvals are in place.**

Dalaroo Metals Ltd (**Dalaroo** or **Company**) (ASX Code: **DAL**) is pleased to advise that high grade copper assay results of 54.8% coupled with silver grades of 80g/t have been returned from its rock chip sampling program over the Browns base metal prospect (Figures 1, 2 and 4). Gossanous outcrops sampled to the east of the AC drilled area have returned Pb values of up to 0.53% complemented by anomalous zinc (1140ppm) and copper (420ppm) at the Lyons River Project ("Lyons River").

Lyons River comprises a strategic (100% owned) land position of 740km^2 within the Proterozoic Mutherbukin Zone of the Gascoyne Province, Western Australia. Exploration drill programs by Dalaroo and previous explorers including BHP since 2001 has shown that the district is an emerging Broken Hill Type ("BHT")/Sedimentary Exhalative ("SEDEX") deposit setting. The Browns prospect is one of six Pb-Zn soil geochemical prospects identified at Lyons River within a Proterozoic Age folded basin setting covering an area of 30km by 10km (Figures 1 and 4).

Dalaroo's Managing Director, Harjinder Kehal commented:
"It is encouraging to see copper mineralisation at surface with high grade results of 54.8% accompanied by silver assays of 80g/t. We look forward to undertaking the next phase of drill testing at Browns funded by an EIS grant of $180,000".

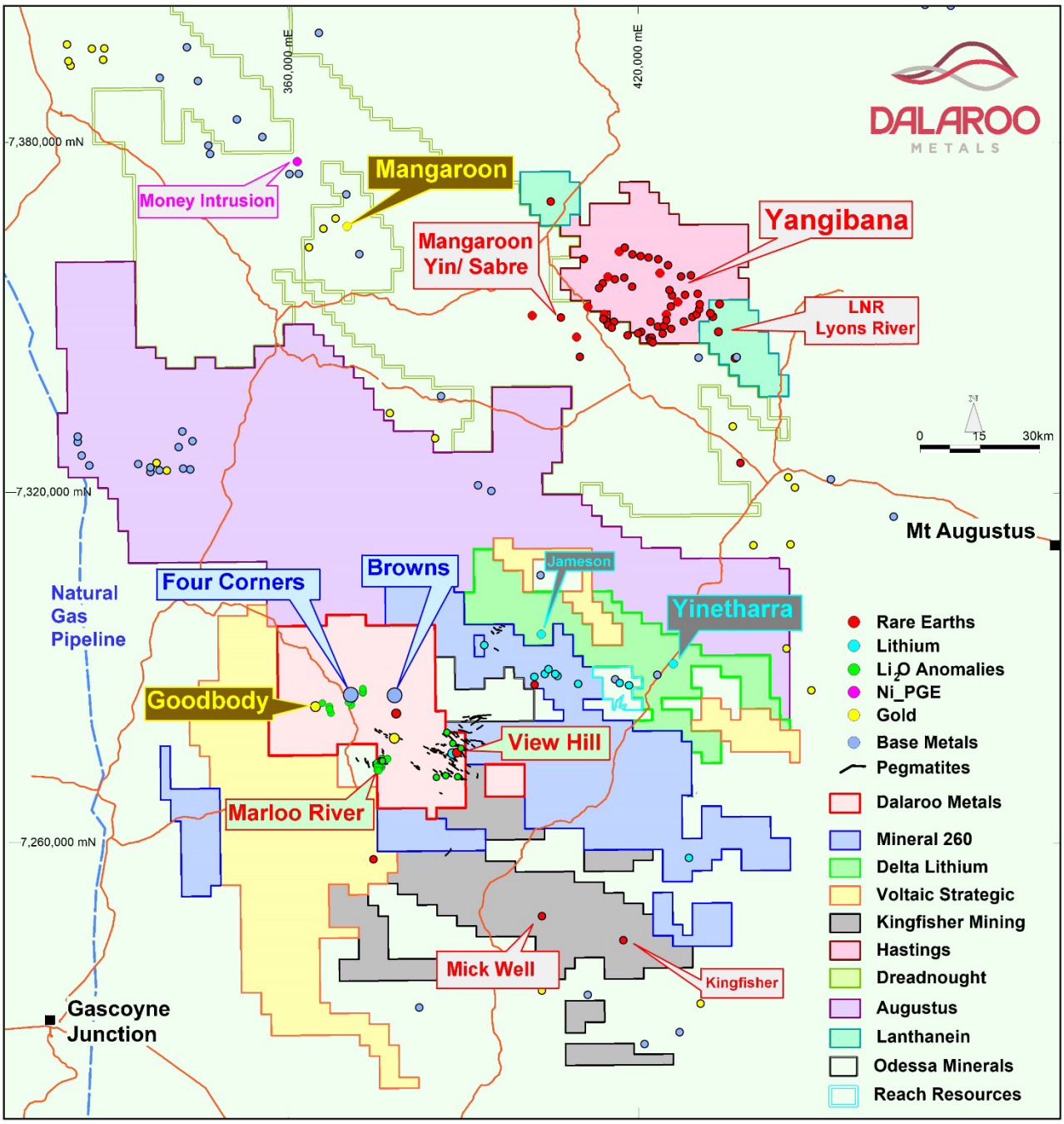

Figure 1: Dalaroo Metals, Lyons River Project in the Gascoyne Province with neighbouring companies and prospects

Technical Commentary

Copper Potential

A rock chip sampling program at the expanded 3.5km X 2km Browns base metal Pb-Zn-Ag prospect has returned high grade copper with assay results of up to 54.8% at Lyons River (Figure 2). Copper assays of 1.64% have also been recorded from rock chip sampling previously completed at the Four Corners prospect located 5km to the west of Browns.

Previous historical shallow RC drill program in 2008 at Four Corners returned an intersection of 3m @ 0.50% Cu including 1m @ 0.92% Cu from 56m, with mineralisation associated chalcopyrite (Figure 3)(Refer DAL ASX Announcements from 16 March 2022). Copper assay results from both Browns and Four Corners prospects are accompanied by silver assays of 80.0g/t and 21.5g/t respectively (Table 1).

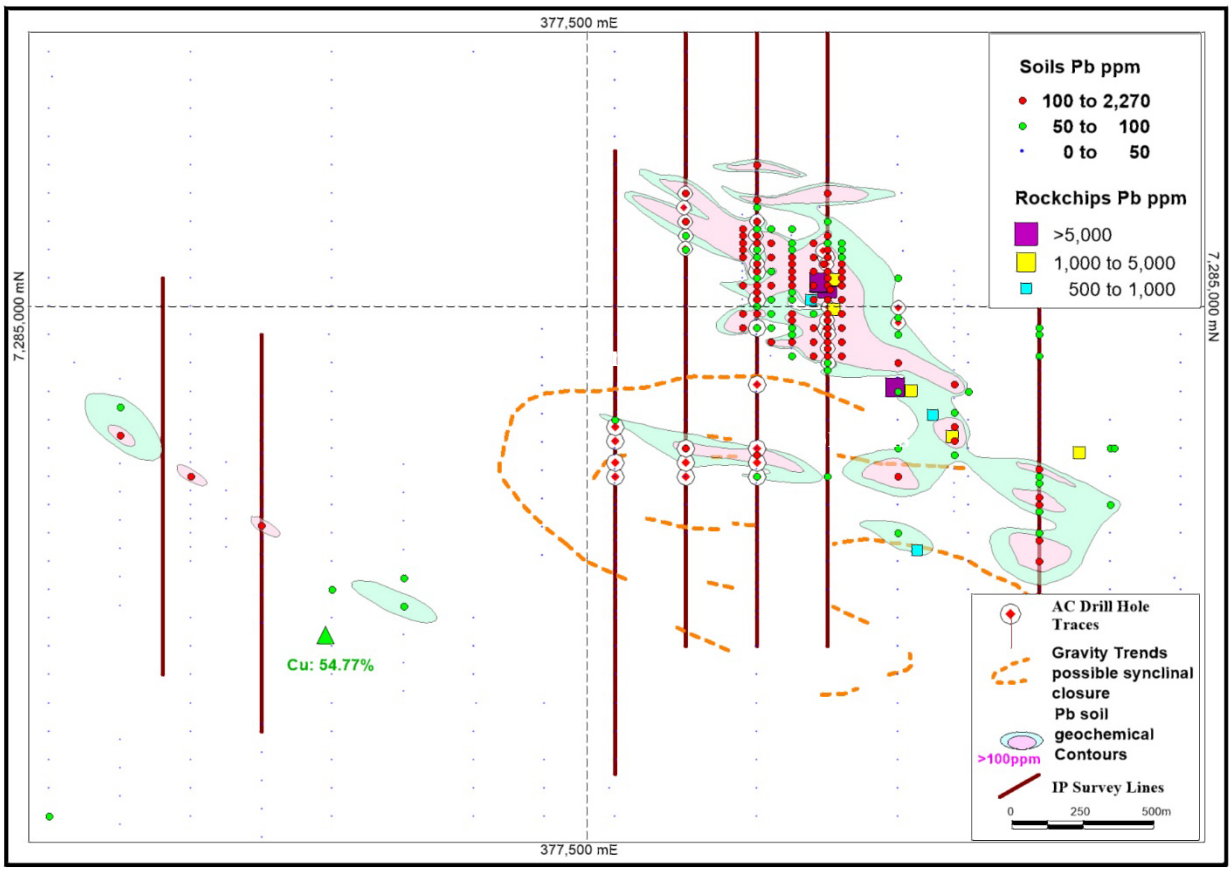

Figure 2: Browns prospect, Pb soil geochemical anomalies (previously reported) and Pb rock chip sample assays, high-grade copper rock chip sample location and proposed Induced Polarisation survey lines.

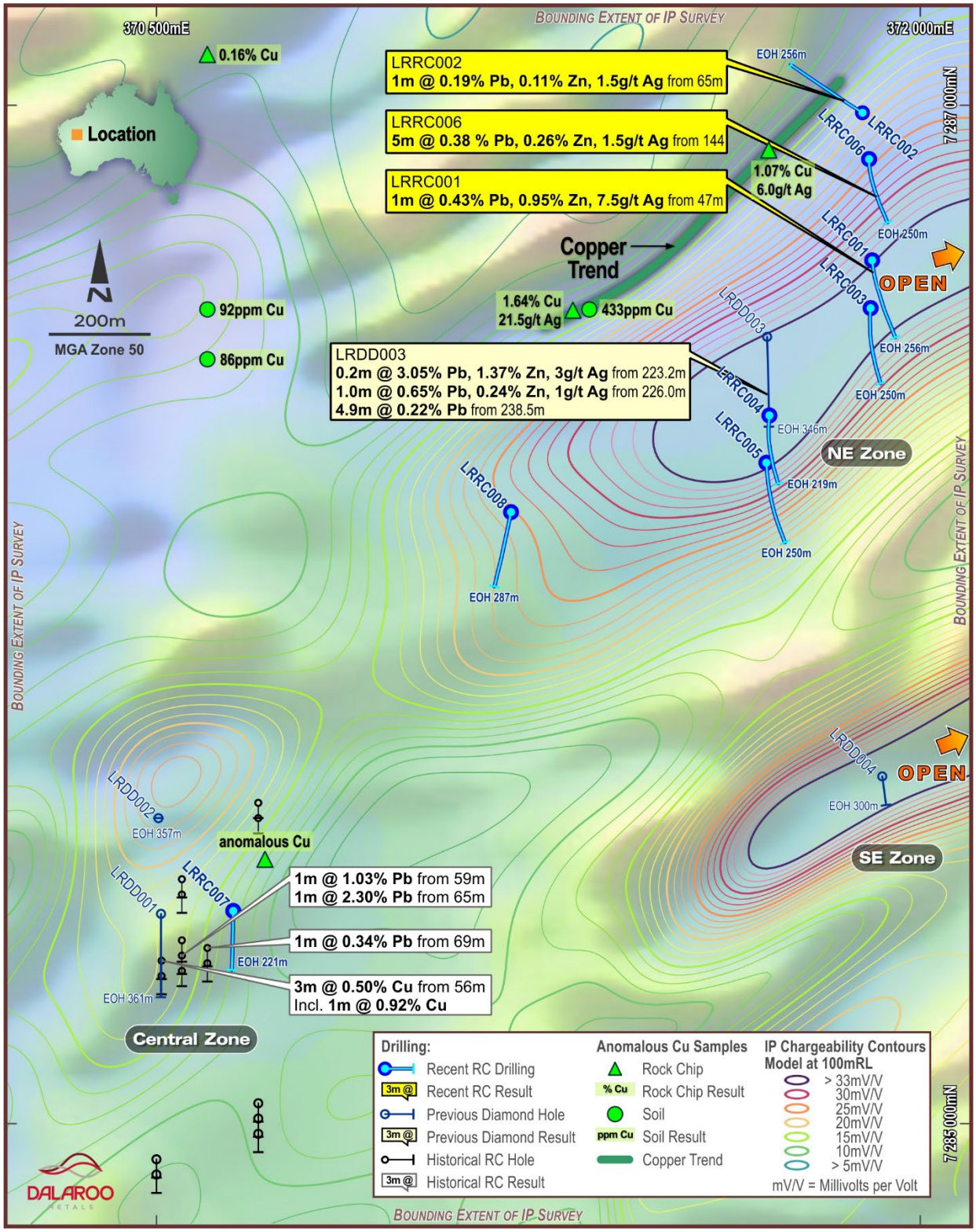

Figure 3: Four Corners prospect, drill hole location map with historical RC and diamond holes, DAL's recently completed RC drill holes and base metal results.

Photo 1: Copper (malachite) mineralisation in surface excavation and malachite rich chips at Browns prospect.

Photo 2: Outcropping copper mineralisation (malachite) at Four Corners prospect

Browns Pb-Zn-Ag Prospectivity and Potential

The Browns Prospect represents the second site of Pb-Zn-Ag intersections discovered by bedrock drilling in the Mutherbukin Zone, 5km east of Dalaroo's Four Corners Pb-Zn-Ag prospect (Figure 4). Two phases of AC drilling at the Browns Prospect tested a very compelling broad Pb-Zn soil and rock chip geochemical anomaly (max 1445ppm Pb, 1080ppm Zn) covering an area of 3.5km X 2.5km, associated with extensive iron-rich and high-grade gossanous material at surface with results of up to 39.6% Pb, up to 0.71% Zn and up to 82g/t Ag.

Detailed gravity work has complemented historical surveys by BHP and shows a coincident gravity low suggesting an area of possible deepening basin development. An interpreted sub-basin fold or trough structure at Browns may represent a deeper portion of the paleo-basin architecture and a favourable environment for formation of prospective host stratigraphy (Figure 5). (Refer DAL ASX Announcements from 25 July 2022 and 15 November 2022)

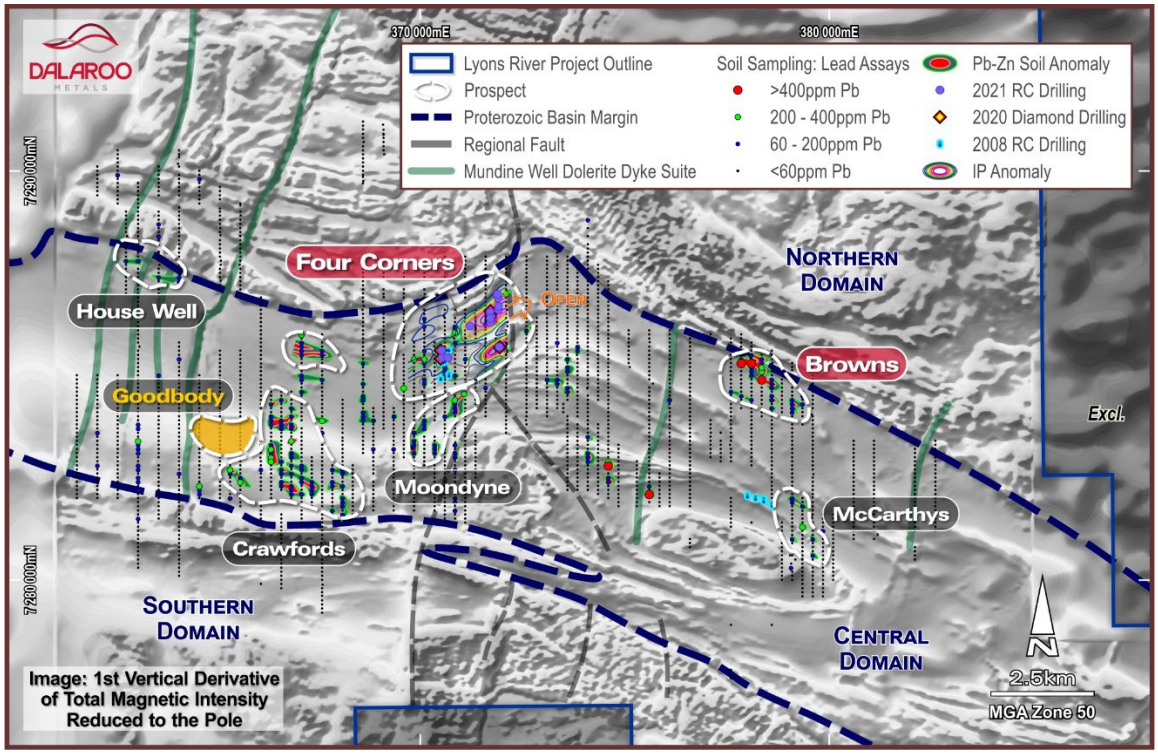

Figure 4: Lyons River, Browns prospect and other five Pb-Zn soil geochemical prospects /targets over greyscale 1 Vertical Derivative Aeromagnetics image.

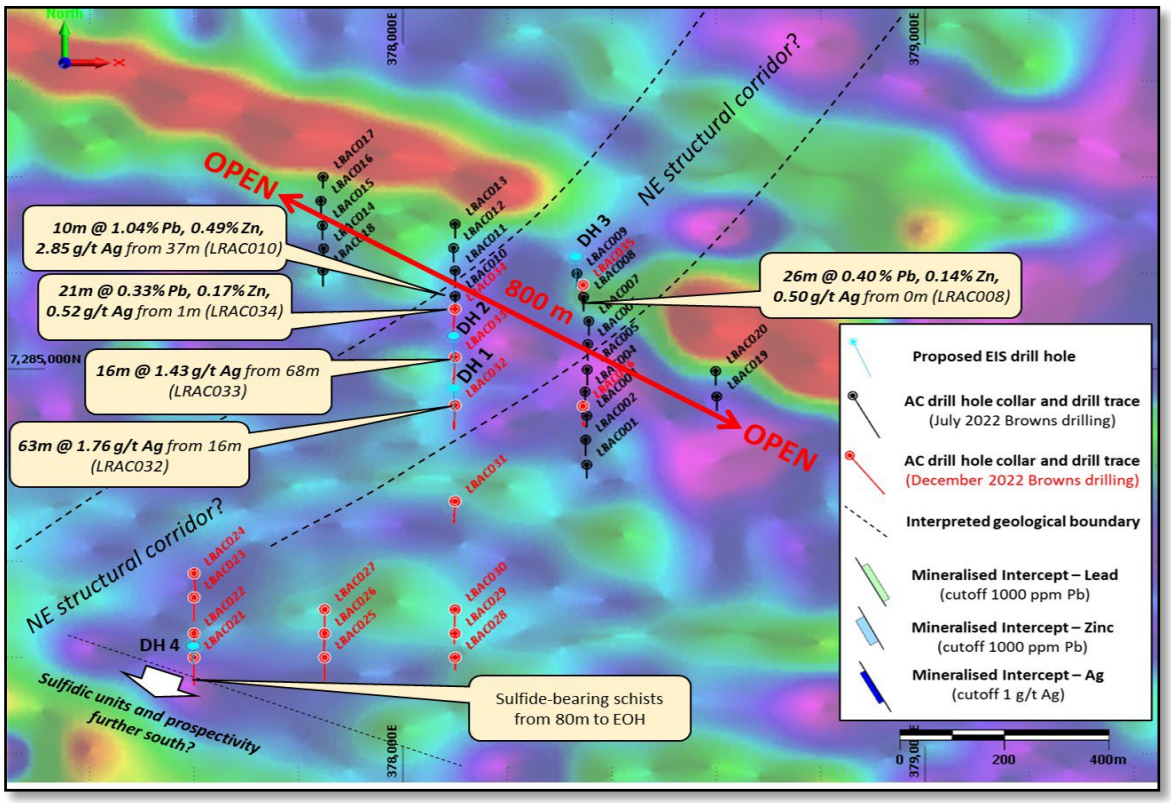

Figure 5: Map view of aircore drilling completed at Browns on ground gravity data basemap.

Sweet Spots for BHTs/ SEDEXs

Geoscience Australia's 2019 study, using *surface wave tomography and a parameterisation for anelasticity at seismic frequencies* shows 85% of world's sediment hosted base metal deposits occur within 200km of the edges of thick lithosphere. The Australian model shows striking correlation between major sediment hosted deposits and edge of thick lithosphere, defined by 170km lithosphere-aesthenosphere boundary (LAB) contour. Lyons River is located 156km away from the 170km LAB contour (Figure 6).

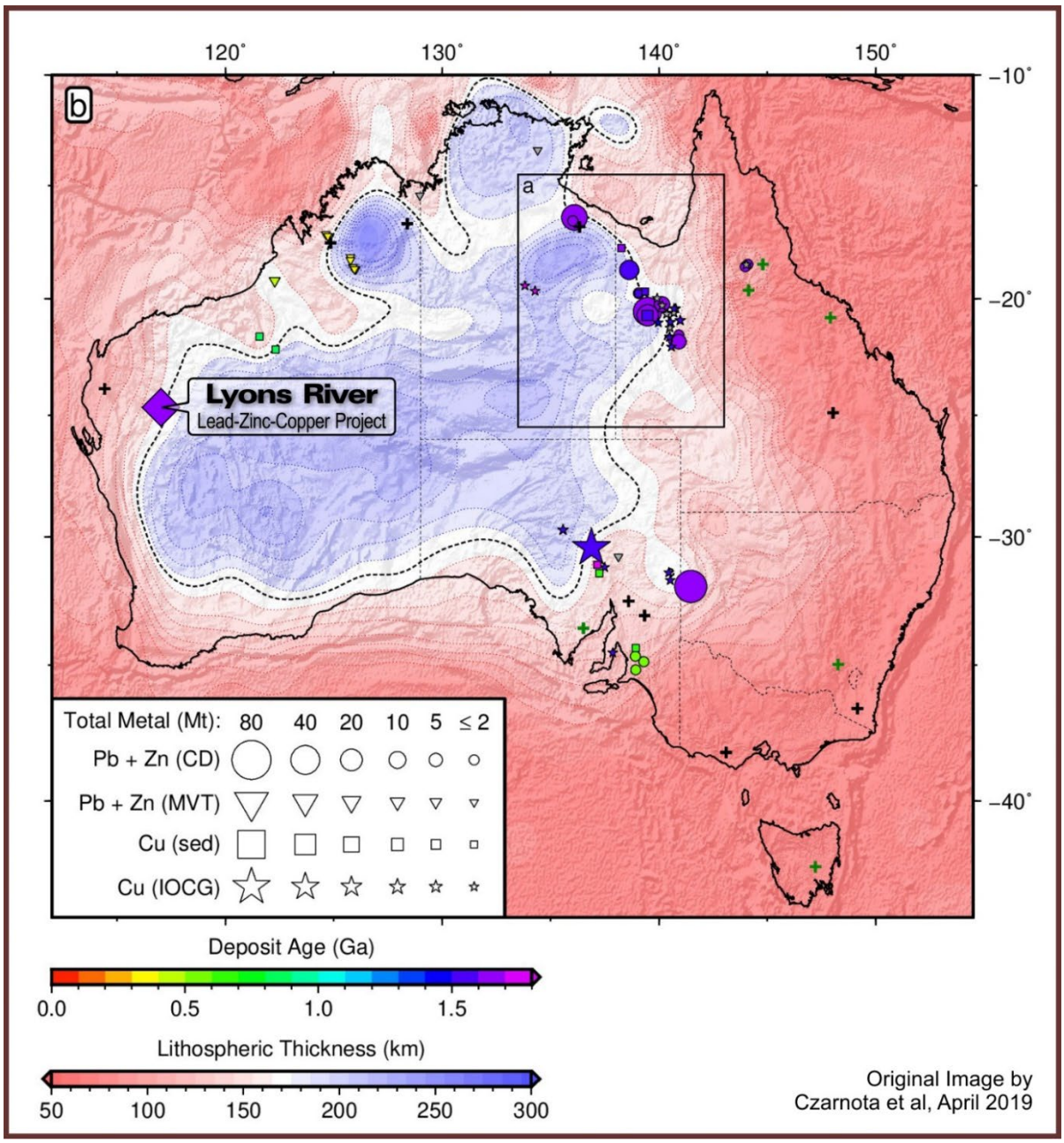

Figure 6: Distribution of BHT/SEDEX deposits, function of lithospheric thickness in Australia

Dalaroo's AC drill programs at Browns have been successful in intersecting zones of interbedded psammitic to pelitic lithologies together with multiple zones of disseminated base metal sulphides such as galena and sphalerite. More than 800m of strike length lead-zinc mineralisation has been outlined at Browns which remains open in all directions (Figure 5). Ag intercepts are coincident with Pb and Zn assays and further support the presence of BHT/SEDEX-style of mineralisation (Figure 6).

AC drilling programs have intersected thick zones of variably-pyritic, biotite-quartz gneiss, likely representing metamorphosed shales, and found to be enriched in silver, returning 63m @ 1.76g/t Ag from 16m and 16m @ 1.43g/t Ag from 68m (Figures 7) and has outlined the footprint of the Pb-Zn-Ag mineralized system at the Browns prospect to approximately 400m in thickness in its central portion. Significant Pb-Zn sulphide intercepts of *10m @ 1.04% Pb, 0.49% Zn, 2.85g/t Ag from 37m (LRAC010) Including 1m @ 3.13% Pb, 0.24% Zn, 5g/t Ag from 38m and 63m @ 1.76g/t Ag from 16m* adds weight to this thesis. (Refer DAL ASX Announcement from 14 February 2023)

AC drilling undertaken highlights the prospectivity of the area and possibility of discovering a significant BHT-SEDEX-style deposit at Browns prospect. Evidence that lead-zinc-silver mineralizing fluids have circulated at the basin-wide scale five kilometres east from the already drilled Four Corners Prospect backs up this theory. This in turn leads us to the conclusion there may be multiple base metal deposits at our Lyons River Project.

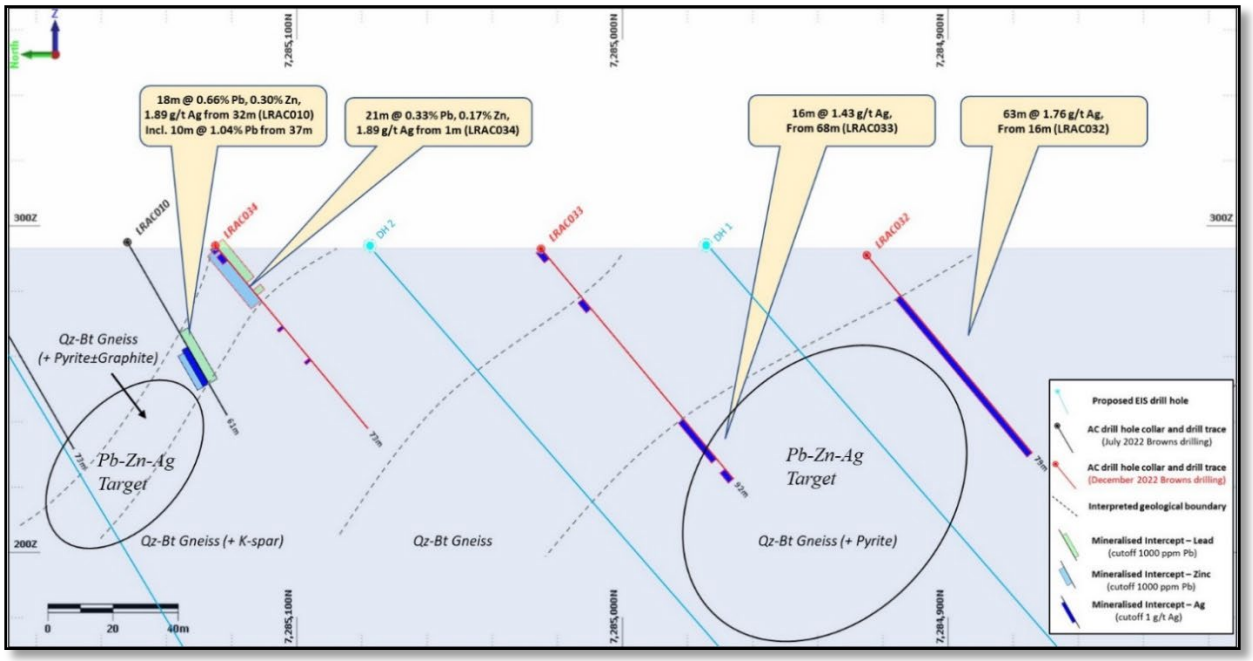

Figure 7: Browns prospect, simplified cross section A-B (see Figure 5) displaying selected mineralised drilling intercepts.

Next Steps at Lyons River Project

Dalaroo proposes to carry out a Dipole-Dipole Induced Polarisation (DDIP) geophysical surveys in the next phase of exploration. The goal of these surveys will be the delineation of a mineralised body at depth that possesses not just the surface geochemical signature, but also the geophysical properties characteristic of a significant BHT/SEDEX deposit and copper mineralisation in the Browns Prospect area prior to the EIS diamond drill program (Figure 2). *(*Refer DAL ASX – Announcements from 26 April 2023)

Deeper diamond drilling is expected to allow a better understanding of the geological transition to more pyritic and phyllosilicate-rich units identified at the southern limits of the drill tested area interpreted to represent a transition in the pre-metamorphic protolith stratigraphy to lower energy sedimentary units, considered more prospective for BHT/SEDEX type deposits.

ENDS

For more Information:

Please visit our website for more information: www.dalaroometals.com.au

Harjinder Kehal, Managing Director on +61 400 044 890
Authorised for release to the ASX by the Board of Dalaroo Metals Ltd.

COMPETENT PERSON

The information in this report that relates to Exploration results is based on information compiled by Dalaroo Metals Ltd and reviewed by Mr Harjinder Kehal who is the Managing Director of the Company and is a Registered Practicing Geologist and Member of the AusIMM and AIG. Mr Kehal has sufficient experience that is relevant to the style of mineralisation, the type of deposit under consideration and to the activities undertaken to qualify as a Competent person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Kehal consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

FORWARD-LOOKING INFORMATION

This report may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning the planned exploration program and other statements that are not historical facts. When used in this report, the words "could", "plan", "estimate", "expect", "intend", "should" and similar expressions are forward-looking statements. Although Dalaroo believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

CAUTIONARY NOTE

The statements and information contained in this report are not investment or financial product advice and are not intended to be used by persons in deciding to make an investment decision. In releasing this report, Dalaroo has not considered the objectives, financial position or requirements of any particular recipient. Accordingly, potential investors should obtain financial advice from a qualified financial advisor prior to making an investment decision.

Table 1: Lyons River Project, Browns prospect rock chip sample assays.

Sample_ID	Easting	Northing	Ag_ppm	Cu_ppm	Cu%	Pb_ppm	Pb%	Zn_ppm	Zn%	S_ppm
LR140923-1	376576	7283840	80	547700	54.77	25		22		38050
LR15005	378721	7284617	0	296		588		380		800
LR15006	378644	7284704	0	263		1540	0.15	460		450
LR15007	378589	7284715	1.5	420		5290	0.53	1140	0.11	450
LR15008	378716	7284709	0	333		497		324		1400
LR15009	378757	7284664	0	173		489		280		550
LR15012	379240	7284485	0	342		1050	0.11	508		1200
LR15014	378791	7284541	0	260		1950	0.20	312		1500
LR230527_18	379067	7287154	0	28		27		1590	0.16	3200

About the Lyons River Project

Lyons River is located approximately 1,100km north of Perth and approximately 220km to the north-east of the coastal town of Carnarvon, Western Australia. The Lyons River Project lies within the Mutherbukin Zone of the Gascoyne Province, which is the deformed and high-grade metamorphic core zone of the early Proterozioc Capricorn Orogen (Figure 8).

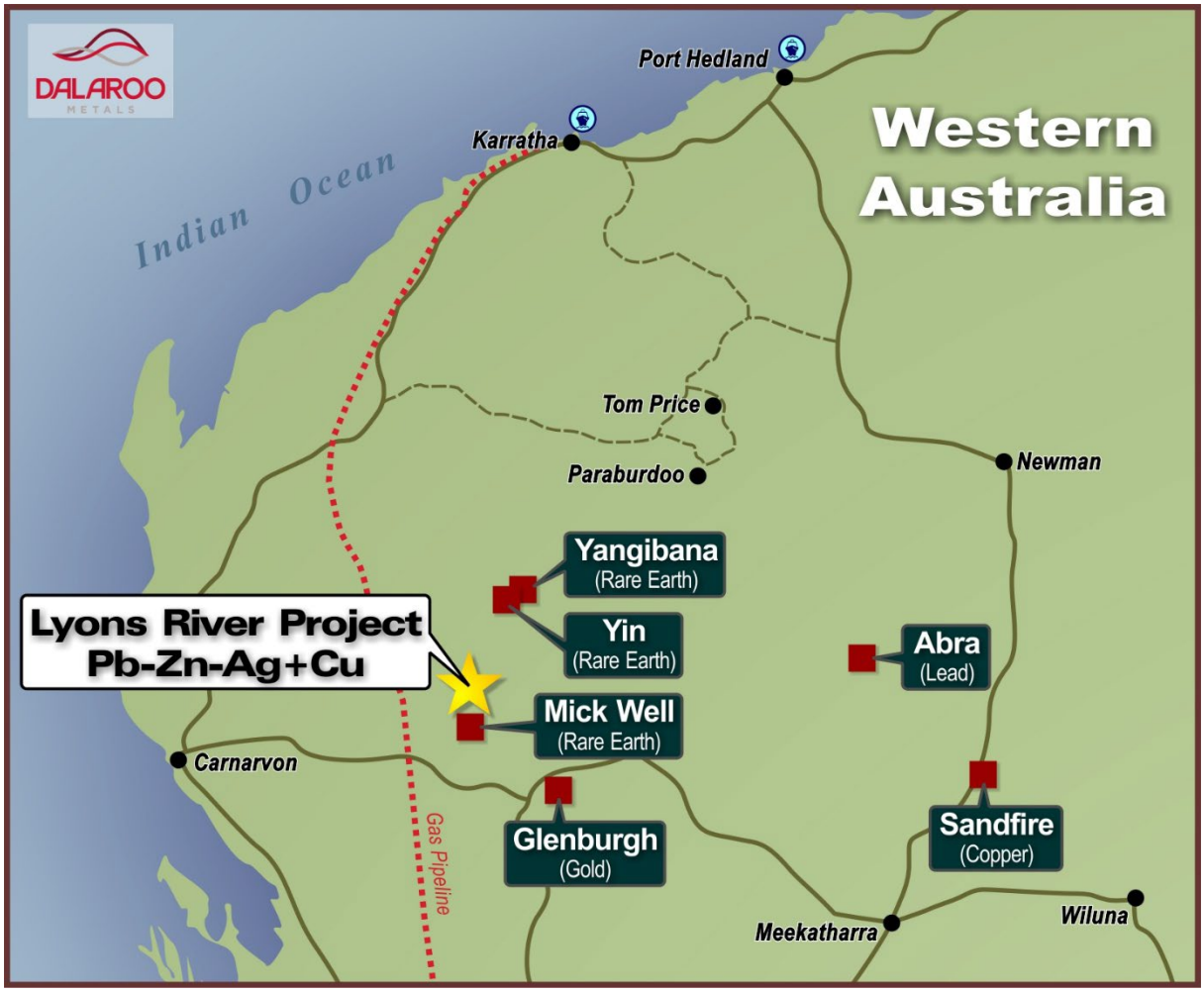

Figure 8: Lyons River Project location diagram

The majority of base metal exploration to date at Lyons River had focused on the Four Corners prospect where an EIS funded diamond drill programme was completed in late 2020 by previous explorer Serena Minerals Limited intersecting an encouraging primary zinc (sphalerite) and lead (galena) sulphide mineralisation intercept in drill hole LRDD003 of **0.2m @ 3.05% Pb, 1.37% Zn and 3g/t Ag** from 223.2m) along the strike extent of the *NE zone* of the 2.5km Induced Polarisation anomaly peaking at 33 mV/V (Figure 3).

Subsequently follow up RC holes drilled in December Quarter 2021 by the Company were successful in intersecting zones of interbedded psammitic to pelitic plus mafic lithologies together with multiple zones of disseminated base metal sulphides associated with significant pyrite intervals. (Refer DAL ASX Announcement from 16 March 2022). Multi-element assay results received, highlighted encouraging Pb, Zn and Ag intersections including:

- Drill LRRC001 intersected 1**m @ 0.43% Pb, 0.95% Zn and 7.5g/t Ag from 47m**
- Drill hole LRRC006 with 9m @ 0.34 % Pb, 0.21% Zn and 1g/tAg from 141m **including 5m @ 0.48% Pb, 0.26% Zn and 1.3g/t Ag from 144m**

Of special note are the significant intervals of Ag assays that have been intersected in the RC drill programme at Four corners with two holes (LRRC001 and LRRC006) returning Ag values of up to 7.5g/t (Figure 3). The presence of Ag confirms that the Pb-Zn base mineralization outlined to date supports a BHT/SEDEX setting model over Lyons River.

Appendix 1: Dalaroo Metals Ltd – Air core (AC) Drilling Program Lyons River Project – Browns prospect - JORC Code Edition 2012: Table 1

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld x-ray fluorescence (XRF) instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Rock chip sampling
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Rock chip samples comprised gossanous/iron rich ferruginous oxide phases and containing copper mineralisation.
	Aspects of the determination of mineralisation that are Material to the Public Report.	Rock chip sample size of 1-4 kg.
	In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	Rock chip sampling results are a first pass exploration technique that can assist in vectoring toward mineralisation
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	No drilling results reported
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	No drilling results reported.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	No drilling results reported.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No drilling results reported.

Criteria	JORC Code explanation	Commentary
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* *The total length and percentage of the relevant intersections logged.*	Sample type and landform/regolith settings were recorded, and geo-tagged photos of samples and settings taken. No drilling results reported.
Subsampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all subsampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	No sub-sampling has been undertaken. Sample preparation of samples follows industry best practice standards and is conducted by internationally recognized laboratories; i.e Oven drying, jaw crushing and pulverising so that 90% passes -75 microns There was no sub-sampling Entire sample submitted for assay and sample size is considered appropriate for the material being sampled.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	Rock samples have been submitted to Bureau Veritas Laboratories for analysis by 4-Acid Digest - 0.2g Samples analysis and determined by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry and Inductively Coupled Plasma (ICP) Mass Spectrometry.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	Anomalous geochemical thresholds were determined by a senior geologist None drilled. All field data was manually collected, entered into excel spreadsheets, validated and loaded into Access database and processed by a number of different exploration software. None required
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	All samples collected are located using a handheld GPS. Grid system used for geochemical sampling is GDA94 Zone 50 For geochemical sampling nominal RLs based on regional topographic data sets and handheld GPS.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	Rock chip sampling spacing based on geology/structural framework. MRE not being reported.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Sampling was of a reconnaissance nature only and was not designed to achieve unbiased sampling. No drilling results reported.
Sample security	*The measures taken to ensure sample security.*	Samples were collected into labelled polyweave sacks which were sealed by cable ties. The polyweave sacks were placed in bulka-bags and transported to the laboratory by freight company. Once the samples arrived at the laboratory, the samples numbers were checked against the sample submission form and no errors were identified.

Criteria	JORC Code explanation	Commentary
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	As part of the interpretation of the data the Company's geologist undertook a review of the assay data quality, including laboratory batch effects. No significant biases were identified.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The Lyons River Project tenements are wholly owned by Dalaroo Metals Ltd ("Dalaroo") The Project is located 220km north-east of Carnarvon on Eudamullah Pastoral Station. The Competent Person is unaware of any impediments to development of these tenements.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Exploration of Lyons River has previously been undertaken by other parties including Audalia Resources and Serena Minerals and the Competent Person has referenced the parties involved and the results of this work throughout the text. Audalia Resources and Serena Minerals undertook exploration with a focus on base metals during the period 2013 to 2021. Work completed regional geological mapping, geophysical surveys, rock chip sampling, stream sediment sampling and soil sampling.
Geology	*Deposit type, geological setting, and style of mineralisation.*	The primary mineralisation style being sought is metamorphosed base metal mineralisation of the Broken Hill type (BHT) and SEDEX and associated copper mineralisation.
Drillhole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:* • *easting and northing of the drillhole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar* • *dip and azimuth of the hole* • *down hole length and interception depth*	No drillholes are reported.

Criteria	JORC Code explanation	Commentary
	• *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	The plan provided in the body of the report identifies the location of the rock chip sampling sites.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	No metal equivalent values have been reported.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.* *If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').*	No mineralisation widths have been reported.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.*	Appropriate diagrams are included in the main body of this report
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Assay results presented are balanced.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Detailed high quality aeromagnetic, Induced Polarisation, gravity datasets and soil geochemistry
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Appropriate plans for further work are provided in the body of the report.