Gold System Discovery at Lyons River

Highlights

- **Assays from maiden air-core drill program testing gold-bearing, outcropping quartz veins has outlined gold mineralisation at the Goodbody West prospect, Lyons River Project over a strike length of at least 200m including:**
  - **LRAC047: 5m @ 0.85g/t Au from 9m including 1m @ 1.83g/t Au from 9m and 1m @ 1.23g/t Au from 12m**
  - **LRAC049: 1m @ 0.98g/t Au from 3m**
  - **LRAC051: 1m @ 1.17g/t Au from 19m**
  - **LRAC052: 19m @ 0.23g/t Au from 24m**
- **Gold mineralisation at Goodbody West remains open along strike and at depth.**
- **Higher grade rock-chip gold assay results received to date at Goodbody prospect include:**
  - **6.25g/t Au – sample # CW1072**
  - **5.52g/t Au – sample # LR230103_3**
  - **1.70g/t Au – sample # LR230525_21**
- **There will be a strong gold exploration focus by Dalaroo during 2024 particularly at Goodbody where gold anomalism extends over a strike length of 6km, and at Turbo Well located 7km east.**

Dalaroo Metals Ltd (**ASX: DAL** or "Company") is pleased to announce results from its maiden program of air core (AC) drilling at the Goodbody West gold prospect, Lyons River Project ("Lyons River" or "Project") in the Gascoyne Province, Western Australia.

Dalaroo's Managing Director, Harjinder Kehal, commented:

"Our maiden drill program has delivered a gold discovery by testing below the high-grade, gold-bearing, outcropping quartz veins at Goodbody, within the larger 6km Goodbody soil geochemical anomaly at our Lyons River Project in the Gascoyne Province. The Lyons River Project tenure has potential for the delineation new gold prospects over its strike distance of 30km".

Photo 1: Drill Rig at Goodbody West Gold Prospect

Technical Commentary

Goodbody gold mineralisation

Gold mineralization has been outlined in outcropping quartz veins at Goodbody within robust gold in soil anomalies with peak gold values of 132ppb Au at Goodbody West, 93ppb Au at Goodbody Central and 50ppb Au at Goodbody East. The footprint of the Goodbody prospects lies within a broader, 6km long, gold in soil anomaly at 2ppb threshold (refer DAL ASX Announcement from 26 February 2024). (Figure 1).

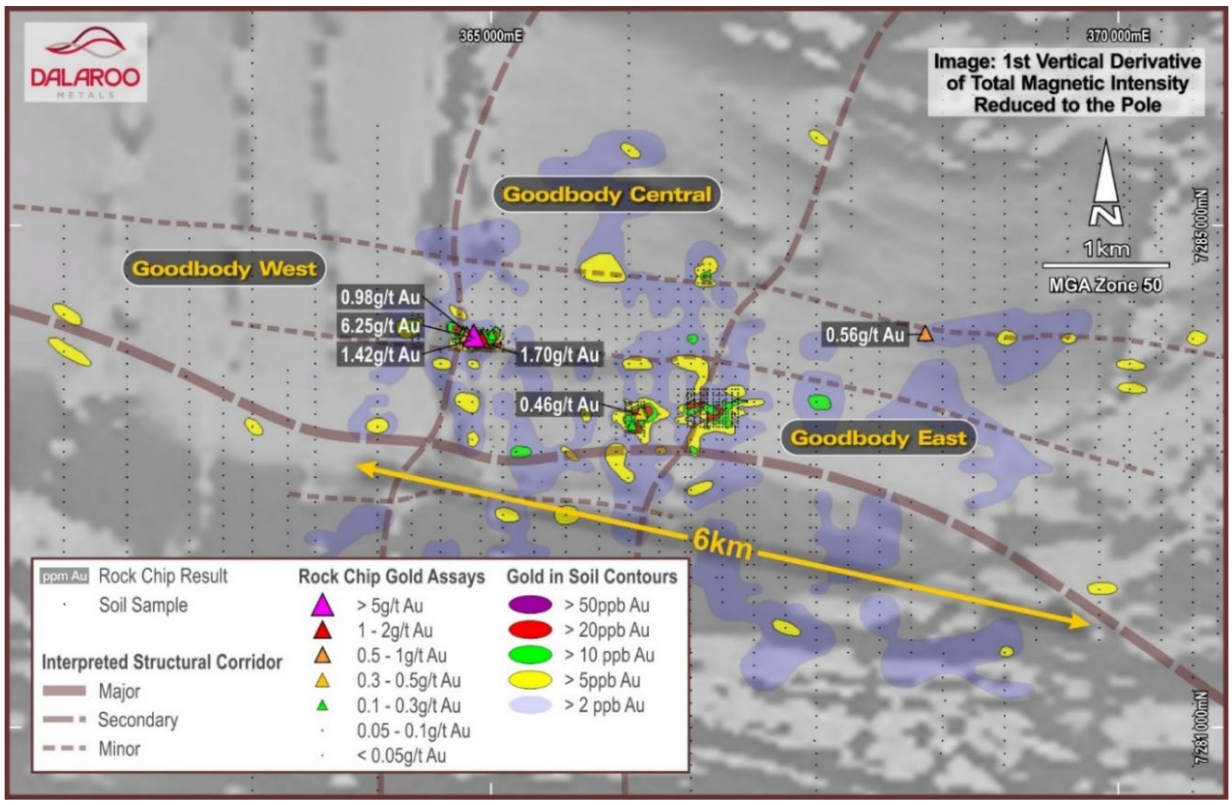

Figure 1. Location of recent rock chip samples within the Goodbody gold prospect area and soil geochemical anomalies. Overlaid on greyscale Total Magnetic Intensity (TMI)1VD basemap imagery.

Air-core drilling

AC drilling was undertaken at the Goodbody West prospect to test the down-dip extension of surface mineralisation defined through geological mapping and surface sampling completed in 2023. This exploration work by Dalaroo has identified outcropping, WNW-trending mineralised quartz veins (up to 6.25g/t Au) over 200m strike, hosted within a metasedimentary rock package comprising pelitic schist, chert, ironstone, and BIF (refer DAL ASX Announcement from 28 November 2022). Veins at surface are typically developed parallel to foliation and locally contain ferruginous oxide phases.

A program of 19 AC holes (867m) was completed on five north-south traverses covering 300m strike, to a maximum vertical depth of 42m (Figure 2). Significant (> 0.1g/t Au) results from the program included:

- **LRAC047**: 5m @ 0.85g/t Au from 9m, including **1m @ 1.83g/t** from 9m
- **LRAC048**: 21m @ 0.21g/t Au from 24m, including 1m @ 0.55g/t Au from 26m
- **LRAC049**: 1m @ 0.98g/t from 3m
- **LRAC051**: 7m @ 0.36g/t Au from 17m, including **1m @ 1.17g/t** Au from 19m
- **LRAC052**: 19m @ 0.23g/t Au from 24m

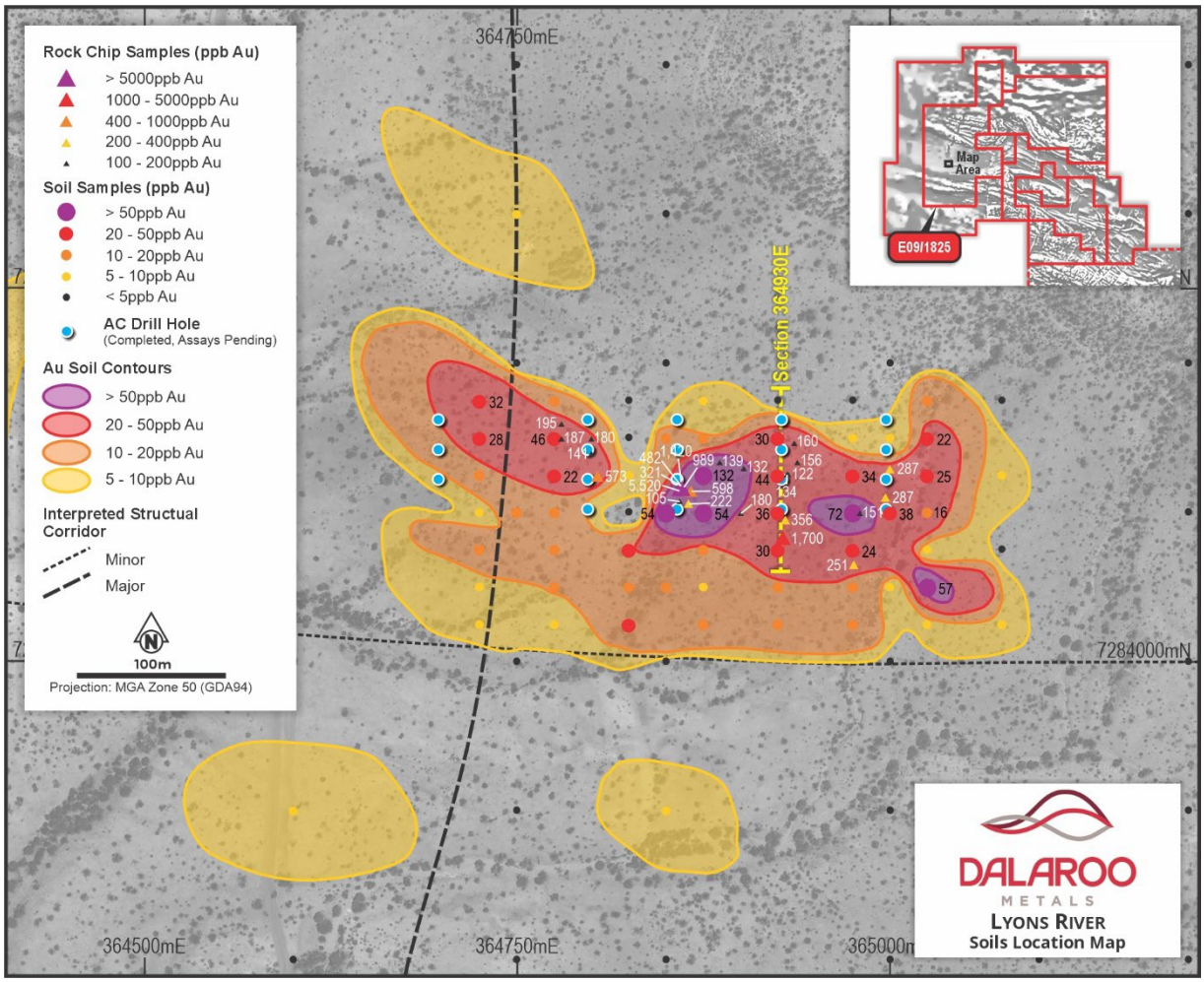

Figure 2: Goodbody West gold prospect and interpreted regional structures. Overlaid on aerial photography. In this figure white text refers to rock chip assay values and black text refers to soil assays values.

Drilling in the eastern part of the Goodbody West prospect, below the main area of outcropping mineralisation, intercepted several zones of sub-parallel, moderately north-dipping quartz veins, within a sequence of pelitic schist and lesser interbedded psammitic rocks. Veins are commonly emplaced within or adjacent to high-strain zones and are encouragingly associated with broad widths of silica-sericite (+/- hematite-carbonate) alteration. Veins contain variable quantities of ironstone and gossanous sulphide. Primary sulphides are not preserved at the shallow drilled depths.

Higher gold grades, up to 1.83g/t (drill-hole LRAC047) are typically associated with sulphide-bearing quartz veins. However, broad widths of anomalous mineralisation (e.g. 21m @ 0.21g/t Au in drill-hole LRAC048) may also integrate alteration zones adjacent to vein sets (Figure 3). Significant Arsenic (As)anomalism, up to 1420ppm is also associated with gold mineralisation.

Next Steps

The identification of sulphide-bearing quartz veins, in association with wide silica-sericite alteration haloes and strong Au-As anomalism from the current shallow levels of drilling are considered indicative of a significant hydrothermal system. Mineralisation remains open at depth and to the east and requires deeper drilling to assess the potential for structurally controlled high-grade zones. It is noted that surface anomalism at Goodbody West coincides with the intersection of WNW and NNE-trending structures (refer DAL ASX Announcement from 8 November 2023). Such intersection zones represent potential sites of intensified deformation and hydrothermal fluid movement and will be a priority for deeper drill targeting at Goodbody West.

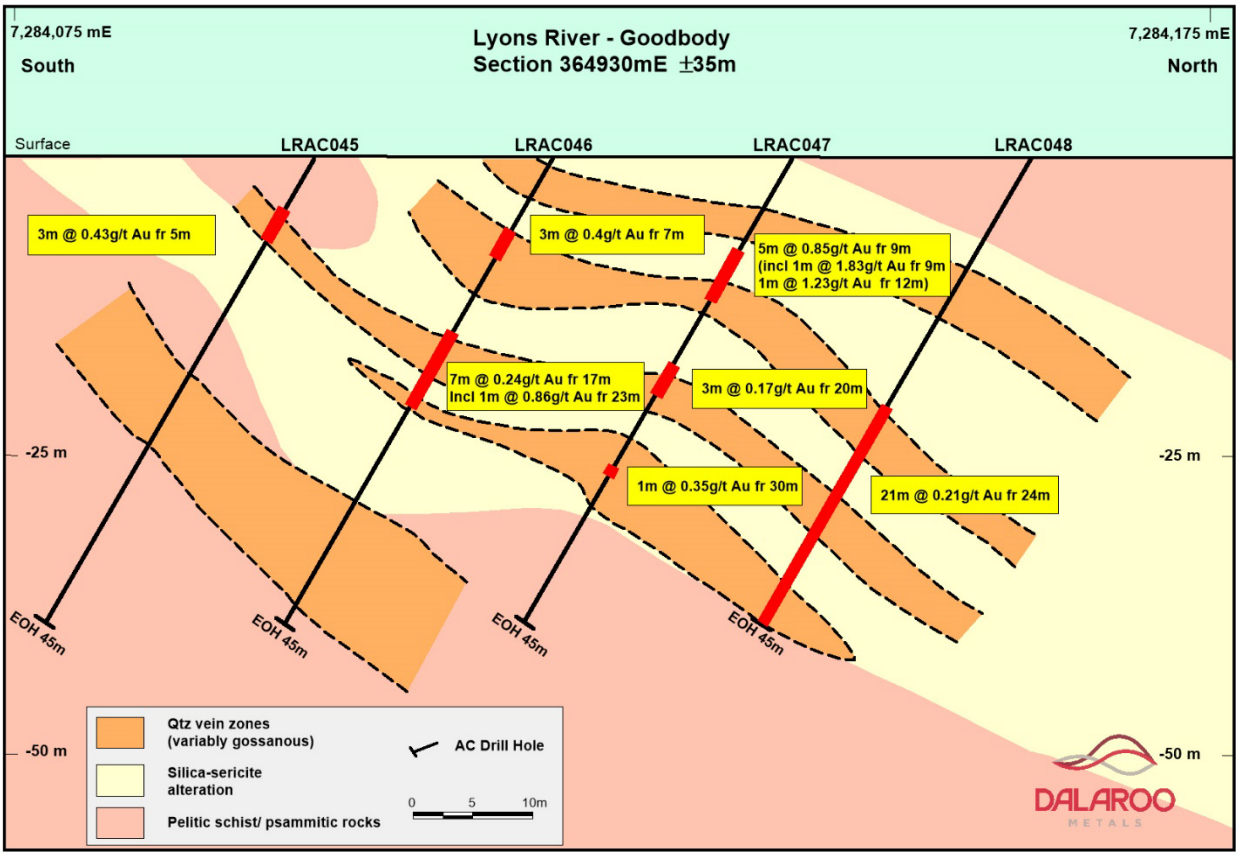

Figure 3: Drill cross section – interpretation geology and gold intercepts.

Turbo Well gold

A new gold prospect has been defined at Turbo Well with gold-in-soil anomalism extending over a strike length of 2km, adjacent to a regional ESE structural trend (Figure 4). A peak value of 47ppb Au is defined from results of both historical soil sampling and follow-up sampling by Dalaroo during 2023 (Refer DAL ASX Announcements from 9 November 2023). Maiden drill testing will be completed over Turbo Well, as when a suitable drill rig becomes available.

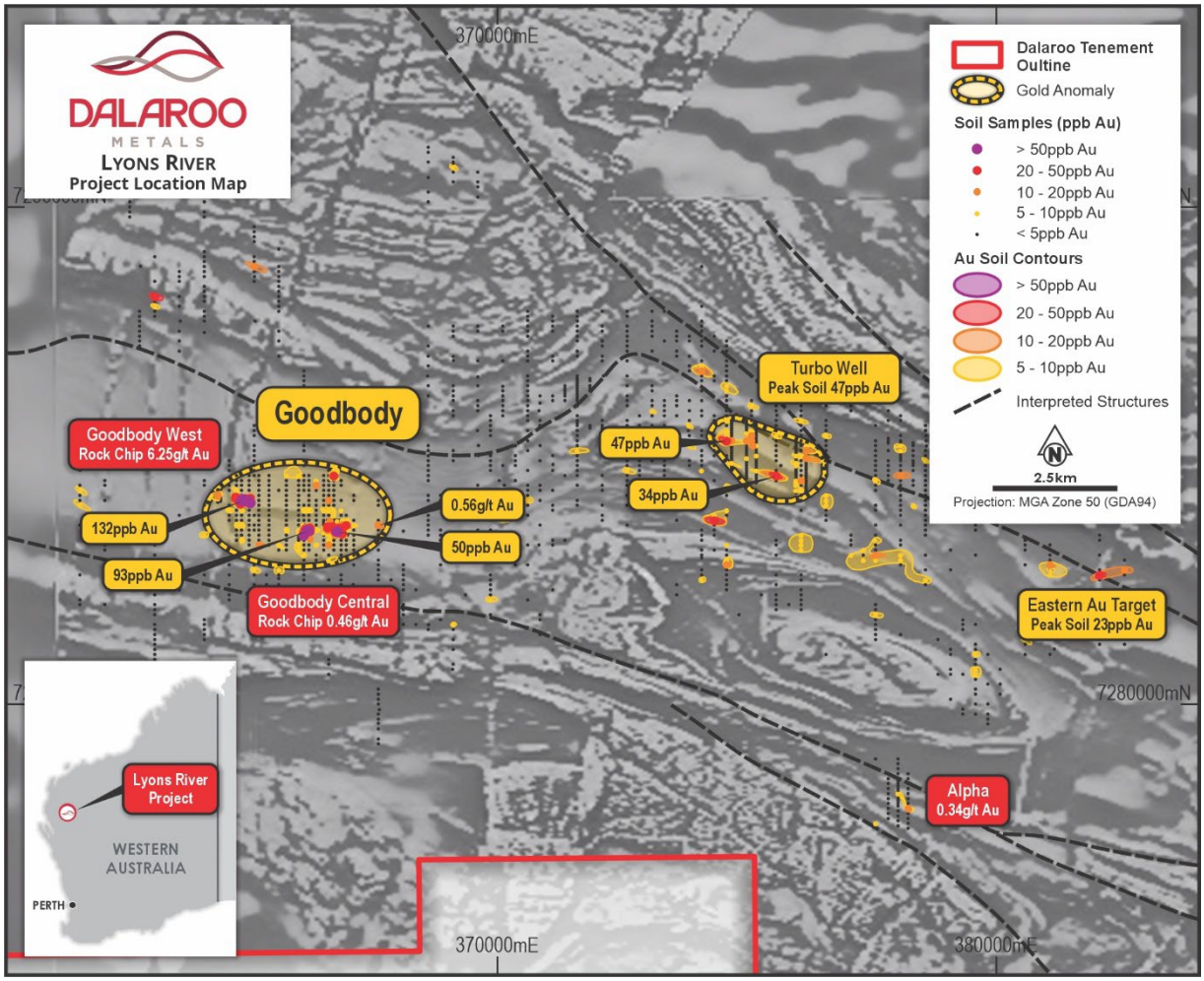

Figure 4: Location of Goodbody prospect in relation to additional gold prospects and interpreted regional structures within Lyons River Project area. Overlaid on greyscale Total Magnetic Intensity (TMI) 1VD base map.

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.

NO NEW INFORMATION

Except where explicitly stated, this announcement contains references to prior exploration results, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements.

Table 1: Significant Intersections >0.1g/t with > 1g/t highlighted.

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)
LRAC038	10	12	2	0.32
LRAC044	20	21	1	1.10
LRAC045	5	8	3	0.43
LRAC046	7	10	3	0.40
	17	24	7	0.24
inc.	23	24	1	0.86
LRAC047	9	14	5	0.85
inc.	9	10	1	1.83
	12	13	1	1.23
	20	23	3	0.17
	30	31	1	0.35
LRAC048	24	45	21	0.21
LRAC049	3	7	4	0.38
inc.	3	4	1	0.98
LRAC051	17	24	7	0.36
inc.	19	20	1	1.17
LRAC052	24	43	19	0.23

Table 2: Drill Collar (GDA94 MGAx50).

Hole ID	Easting	Northing	Nominal RL	Dip (°)	Azimuth (mag)	Depth (m)	Tenement
LRAC037	364800	7284100	400	-60	180	49	E09/1825
LRAC038	364800	7284120	400	-60	180	45	E09/1825
LRAC039	364800	7284140	400	-60	180	45	E09/1825
LRAC040	364800	7284160	400	-60	180	49	E09/1825
LRAC041	364860	7284100	400	-60	180	45	E09/1825
LRAC042	364860	7284120	400	-60	180	45	E09/1825
LRAC043	364860	7284140	400	-60	180	45	E09/1825
LRAC044	364860	7284160	400	-60	180	49	E09/1825
LRAC045	364930	7284100	400	-60	180	45	E09/1825
LRAC046	364930	7284120	400	-60	180	45	E09/1825
LRAC047	364930	7284140	400	-60	180	45	E09/1825
LRAC048	364930	7284160	400	-60	180	45	E09/1825
LRAC049	365000	7284100	400	-60	180	45	E09/1825
LRAC050	365000	7284120	400	-60	180	45	E09/1825
LRAC051	365000	7284140	400	-60	180	45	E09/1825
LRAC052	365000	7284160	400	-60	180	45	E09/1825
LRAC053	364700	7284120	400	-60	180	45	E09/1825
LRAC054	364700	7284140	400	-60	180	45	E09/1825
LRAC055	364700	7284160	400	-60	180	45	E09/1825

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 5).

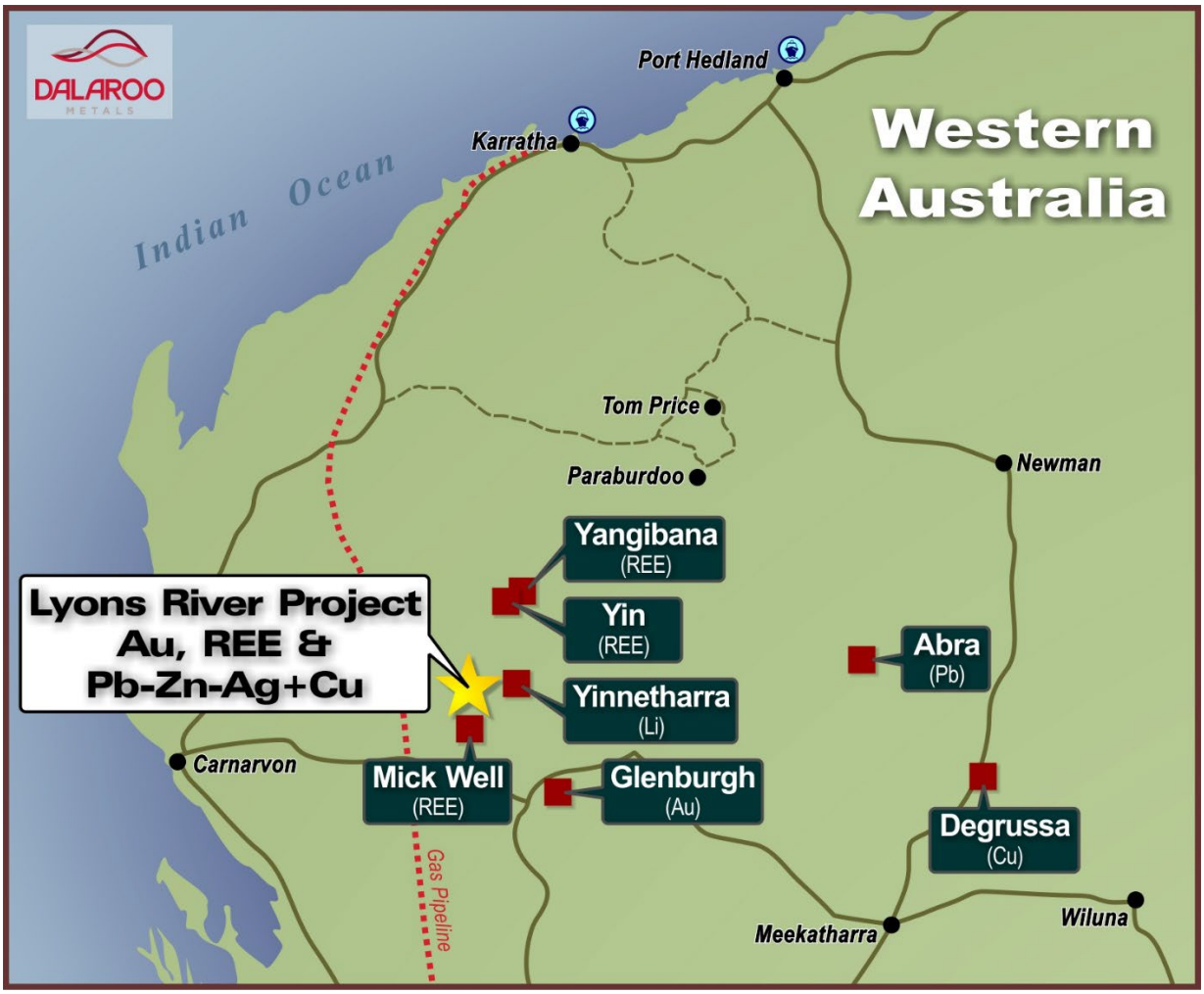

Figure 5: Lyons River Project location diagram

Appendix 1: Dalaroo Metals Ltd – Air core (AC) Drilling Program Lyons River Project – Goodbody 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.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *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.*	Sampling was completed using air core (AC). AC drill samples were collected at 1m intervals in a cyclone at the side of the drilling rig and a sub-sample collected via a cone splitter. The samples were laid out on the ground in piles for sampling and logging. Four metre composite samples were taken from 1m interval sample piles using a scoop, and collected in numbered sample bags. 1m samples retained for future analyses if 4m composites return anomalous assays. Cyclones regularly cleaned to remove hung-up clays and avoid cross-sample contamination. All sampling by conventional gold industry drilling methods. Duplicate samples collected to test sample representivity.
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.).*	AC drilling used a face sampling bit with standard 3.5" aircore drill bit. Strike Drilling completed the drilling.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *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.*	Chip sample recovery logged. Sample recovery generally excellent in weathered and fresh rocks. Drilling has utilised AC rig of sufficient size and air capacity to maximisé recovery and provide dry chip samples. No indication of sample bias is evident or has been established.

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.*	Geological logging of all drillholes included; lithology, grainsize, texture, deformation, mineralisation, alteration, veining, colour, weathering. Chip-trays of samples collected. Drillhole logging of AC chips is qualitative on visual recordings of rock forming minerals & estimates of mineral abundance. All drillholes were logged in their entirety.
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.*	AC samples are collected as 1 metre samples and then composited to 4m by spear sampling. Samples are typically dry. Sub-sample methods appear appropriate for deposit and sample type using accepted industry practices. AC samples have field duplicate samples taken at regular intervals and compared. Samples sub-sampled using accepted splitting techniques and have been delivered to laboratory for total preparation by crushing and pulverisation, before being sub-sampled for analysis. Sample sizes are generally appropriate for grain size and materials 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.*	Samples analysed for Al, Ca, Cr, Cu, Fe, K, Mg, Mn, Na, P, S, Ti and Zn have been determined by Inductively Coupled Plasma (ICP). Ag, As, Ba, Li, Mo, Pb, W and Zn have been determined by Inductively Coupled Plasma (ICP) Mass Spectrometry All samples analysed by Bureau Veritas Laboratory

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.*	Data was captured using Microsoft excel.
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 drillhole collars are surveyed with a handheld GPS unit with an accuracy of ±5m which is considered sufficiently accurate for the purpose of the drillhole. • All co-ordinates are expressed in GDA94 datum, Zone 50. • Regional topographic control has an accuracy of ±2m based on detailed DTM data.
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.*	AC drillhole spacing 20m and line spacing of 70m. The Competent Person considers that the paucity of drilling at Goodbody prospect, Lyons River Project is insufficient to establish grade continuity but is indicative of mineralisation appropriate to an early-stage exploration project.
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.*	The Competent Person has reported downhole intersections without reference to interpreted mineralisation orientation. This is appropriate for an early-stage exploration program where the orientation of mineralisation is preliminary, and it is inappropriate to geometrically correct intersections.
Sample security	*The measures taken to ensure sample security.*	Individual calico sample bags from the AC drilling were placed in polyweave bags and hand delivered directly to the assay laboratory in Perth by company personnel.

Criteria	JORC Code explanation	Commentary
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	None of the drilling has been subject to audit. The Competent Person does not consider this to be material for early-stage exploration projects.

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 Serena Minerals and the Competent Person has referenced the parties involved and the results of this work throughout the text.
Geology	*Deposit type, geological setting, and style of mineralisation.*	The primary mineralisation style being sought is gold 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* • *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.*	Refer to table of drillhole collars in body of report.

Criteria	JORC Code explanation	Commentary
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.*	In all cases, Exploration Results have been reported in accordance with Clause 19 of the JORC Code. Data has been reported as arithmetic averages, weighted by downhole drill intersection for identified zones of mineralisation. 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').*	All drillhole intercepts/intervals are measured downhole in metres.
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.
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, gravity datasets and soil geochemistry.

Criteria	JORC Code explanation	Commentary
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.*	Full geological, geophysical and geochemical integration of data • Drill testing (air core and/or RC percussion and/or diamond drilling) will be undertaken on priority targets identified. These diagrams are included in the main body of this report