

Dalaroo Successfully Completes Capital Raising

Highlights

- Firm commitments received for a placement to raise up to \$270,000 (before costs) at \$0.04 per share with a 1 free attaching option for every 2 shares subscribed for under the placement (exercisable at \$0.08, expiring 5 June 2025).
- Placement was supported by new and existing sophisticated investors, including members of the Board, with Dalaroo Directors to participate in the Placement for a total of \$46,000 (subject to shareholder approval).
- Proceeds to be used to progress the next phase of Dalaroo's exploration strategy at its Lyons River lithium/REE and gold potential project in the Gascoyne Province.

Dalaroo Metals Ltd (ASX: DAL, "Dalaroo" or "Company") is pleased to announce a capital raising of up to \$270,000 to continue exploration across its two "First Mover Advantage" projects in Western Australia at Lyons River (Au, REE and Pb-Zn-Ag) in the Gascoyne Province and Namban (Ni-Cu-PGE-Au) in the West Yilgarn Province.

The Company has received firm commitments for a share placement of 6,750,000 fully paid ordinary shares in the capital of the Company (**New Shares**) at \$0.04 each to raise approximately \$270,000 (before costs) (**Placement**) comprising:

- 5,600,000 New Shares to existing and new professional and sophisticated investors pursuant to section 708 of the *Corporations Act (Cth)* to raise a total of \$224,000 (**Tranche One**); and
- 1,150,000 New Shares to Directors of the Company in a second tranche to raise a further \$46,000 which will be subject to shareholder approval (**Tranche Two**).

The Placement includes a free attaching option for every 2 New Shares subscribed for under the Placement (**Attaching Option**), exercisable at \$0.08 each and expiring on 5 June 2025. The issue of the New Shares under Tranche Two of the Placement is subject to the Company obtaining shareholder approval at the Annual General Meeting scheduled for 30 November 2023 (**AGM**).

PLACEMENT

The Placement to raise approximately \$270,000 through the issue of up to approximately 6,750,000 New Shares is to be conducted via two tranches:

- A first tranche of approximately \$224,000 utilising the Company's available placement capacity under ASX Listing Rule 7.1 (**Tranche One**); and
- A second tranche of approximately \$46,000 for Director participation which will be subject to shareholder approval at the Company's AGM (**Tranche Two**).

- The Placement includes 1 free Attaching Option for every 2 New Shares subscribed for under the Placement (exercisable at \$0.08 each, expiring on 5 June 2025). The Attaching Options for Tranche One will be issued at the same time as the New Shares whilst the Tranche Two Attaching Options will be issued subject to shareholder approval at the Company's AGM.

The New Shares to be issued under the Placement will rank equally with the existing ordinary Shares on issue.

The Placement was not underwritten.

Indicative Placement Timetable	
Event	2023 Time / Date
ASX Announcement/Resume Trading	Wednesday, 18 October 2023
Settlement of Tranche One Shares Settlement and allotment of Attaching Options under Tranche One	Friday, 20 October 2023
Expected date of ASX Quotation of Tranche One Shares	Tuesday, 24 October 2023
Settlement and allotment of Tranche Two Shares and their Attaching Options (subject to shareholder approval at the AGM)	Friday, 1 December 2023

The Placement will be undertaken in two tranches.

Tranche One will be undertaken within the Company's existing placement capacity under the ASX Listing Rules, with 5,600,000 Shares and 2,800,000 Attaching Options (exercisable at \$0.08 each, expiring on 5 June 2025) to be issued under Listing Rule 7.1. Accordingly, no shareholder approval will be required for the issue of New Shares or the Attaching Options under Tranche One.

Tranche Two will comprise the issue of up to 1,150,000 Shares and 575,000 Attaching Options (exercisable at \$0.08 each, expiring on 5 June 2025) to Directors and related parties of the Company which will be subject to obtaining shareholder approval under ASX Listing Rule 10.11.

Allotment of the New Shares and Attaching Options pursuant to Tranche One of the Placement is expected to occur on or around 20 October 2023. Further details in relation to the Placement are set out in the Appendix 3B's released today.

The Placement price of \$0.04 per New Share represents a 23% discount to the 5-day volume weighted average price (**VWAP**) of \$0.052.

QA Capital Pty Ltd (**QA Capital**) has acted as Lead Manager to the Placement and will receive a management fee equal to 2.0% of all funds raised under the Placement (plus GST) and a placement fee equal to 4.0% of funds raised under the Placement from clients introduced by QA Capital (plus GST).

Upcoming Work Program

The capital raising will enable the Company to continue exploration programs at the newly identified View Hill lithium target with peak value of 334 ppm Li₂O in the LCT fertile 9km X 6km pegmatite swarm at the Lyons River Project in the Gascoyne Province of Western Australia, an emerging lithium and rare earth element hotspot.

In addition, a small focussed aircore drill program is proposed over the 3km strike length Goodbody gold prospect with high grade rock chip results of 5.52g/t Au.

ENDS

For more Information:

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

Harjinder Kehal, Managing Director on +61 400 044 890

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.

Authorised for release to the ASX by the Board of Dalaroo Metals Ltd.