Significant 7 km long magnetic anomaly outlined at Watheroo, Namban Project

Highlights

- **Large magnetic anomaly prospective for Ni-Cu identified**
- **7 km x 3 km in area**
- **50m spaced magnetic survey highlights three principal magnetic zones striking NNW**
- **Magnetic Zones correspond to Government mapped mafic rocks also extend under cover.**
- **Systematic geochemical sampling to commence**

Dalaroo Metals Ltd ("**ASX: DAL** "Dalaroo" or "Company") is pleased to announce results from its recent drone ("UAV") magnetic survey at its Watheroo Anomaly within the Namban Project in Western Australia's wheatbelt region. (Figure 1). The UAV survey was completed using 50m line spacing and 30m ground clearance with lines flown east-west for a total 768 line km. This survey has outlined a very prominent 7 km long by 3 km wide lensoid magnetic anomaly considered to represent a mafic intrusive and thought to be a "Chonolith" prospective for Ni-Cu deposits. The survey results highlight three principal magnetic zones striking NNW, with the magnetic intensity decreasing towards the west, suggesting a plunge or stepped offset of the intrusion in that direction.

The most prominent magnetic feature is located on the eastern boundary of the mafic intrusion, where it extends for over 4km of strike and the central magnetic feature extends over 2.5km. A strong magnetic trend along the western margin has a sinuous appearance and may represent a palaeochannel.

The magnetic zones correspond to mapped mafic intrusive rocks on the Geological Survey of Western Australia map (1:250,000 Moora sheet) [1] of indeterminate Precambrian age and also extend under recent cover.

"*We are very excited our new detailed drone survey has outlined a very strong magnetic anomaly with dimensions of 7 km long and 3 km wide. Several initial areas of interest have been defined which are recommended for follow up investigation. Initial review of the UAV survey results indicates significant improvement in magnetic resolution that can provide a detailed geological and structural interpretation for targeting of ground follow-up-works such as geochemical sampling and future drilling.*" said Harjinder Kehal, Managing Director of Dalaroo Metals.

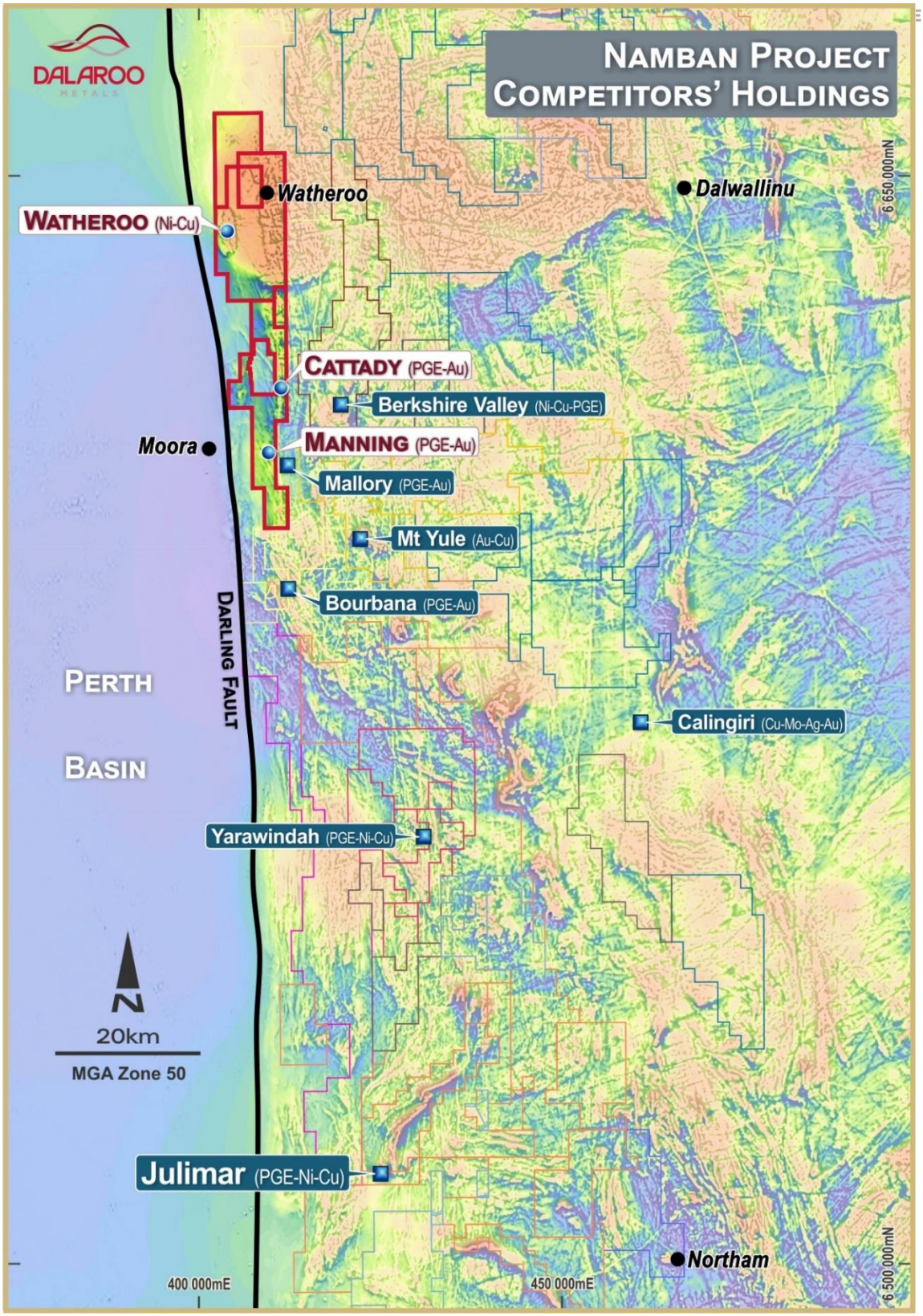

Figure 1: Namban Project Location and competitor map

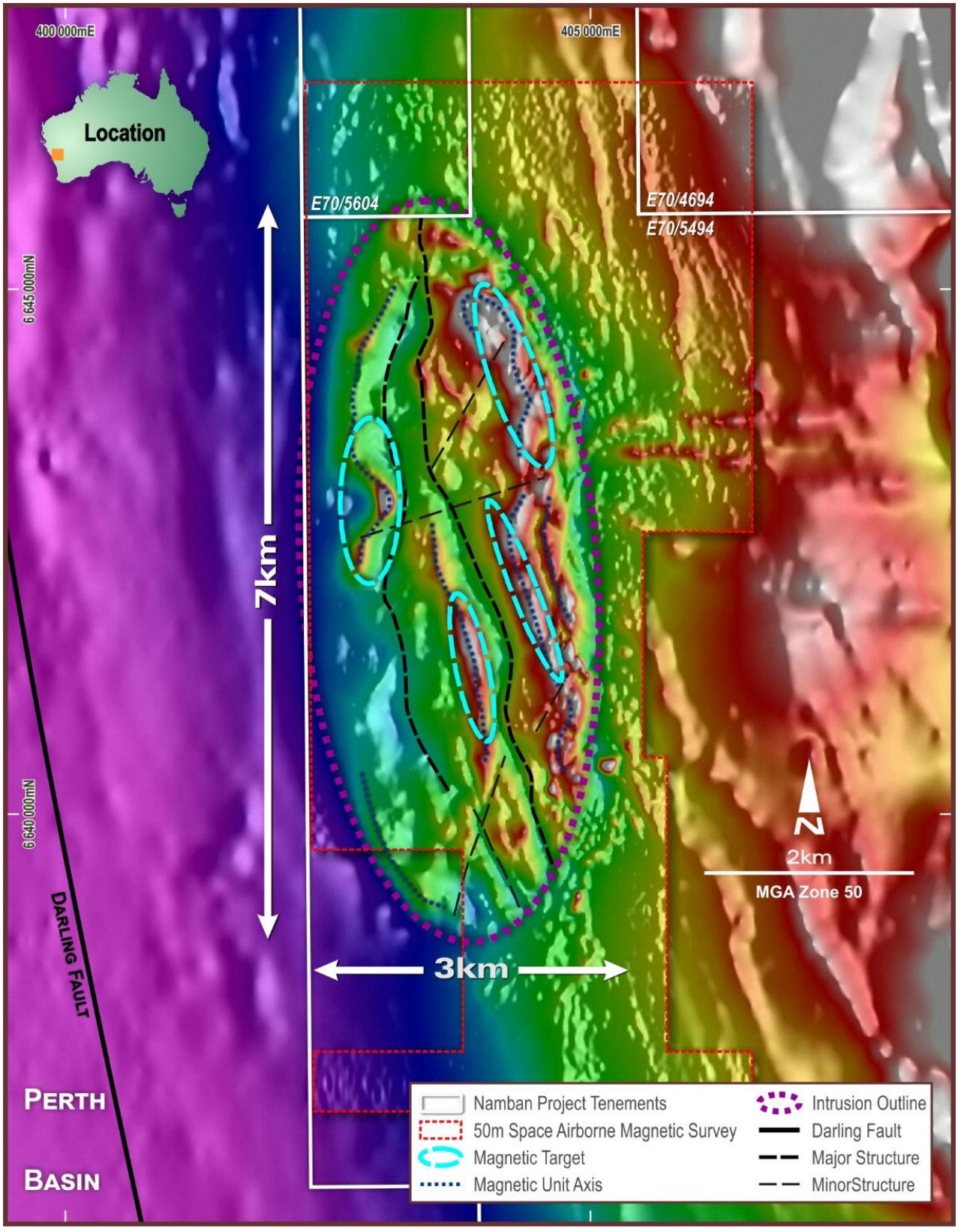

Figure 2: Watheroo 7km X 3km magnetic anomaly identified from UAV drone 50m spaced airborne magnetics survey

Next Steps

Dalaroo proposes to undertake systematic geochemical sampling over the prominent 7 km long by 3 km wide magnetic anomaly considered to represent a mafic intrusive and thought to be a “Chonolith” prospective for Ni-Cu deposits.

Dependent on receiving positive results from geochemical sampling, AC or RC drilling and ground geophysical surveys, such as EM, will be planned.

ENDS

For more Information:

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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.

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

Key References:

1. Geological Survey of Western Australia (GSWA) Geology of the 1:250, 000 Moora Sheet

About the Namban Project

Namban Project comprises an under explored ground package totalling 437km^2 located in the mid-north part of the Western Australian wheatbelt region, deemed by Dalaroo to be prospective for magmatic intrusion related Ni-Cu-PGE deposits. Project tenements cover a strike distance of 60 km, adjacent to the crustal-scale Darling Fault, on the western margin of the Archaean Yilgarn Craton. The Company has a 100% controlling interest comprising six tenements extending from the townships of Moora in the south to Three Springs in the north (Figure 3).

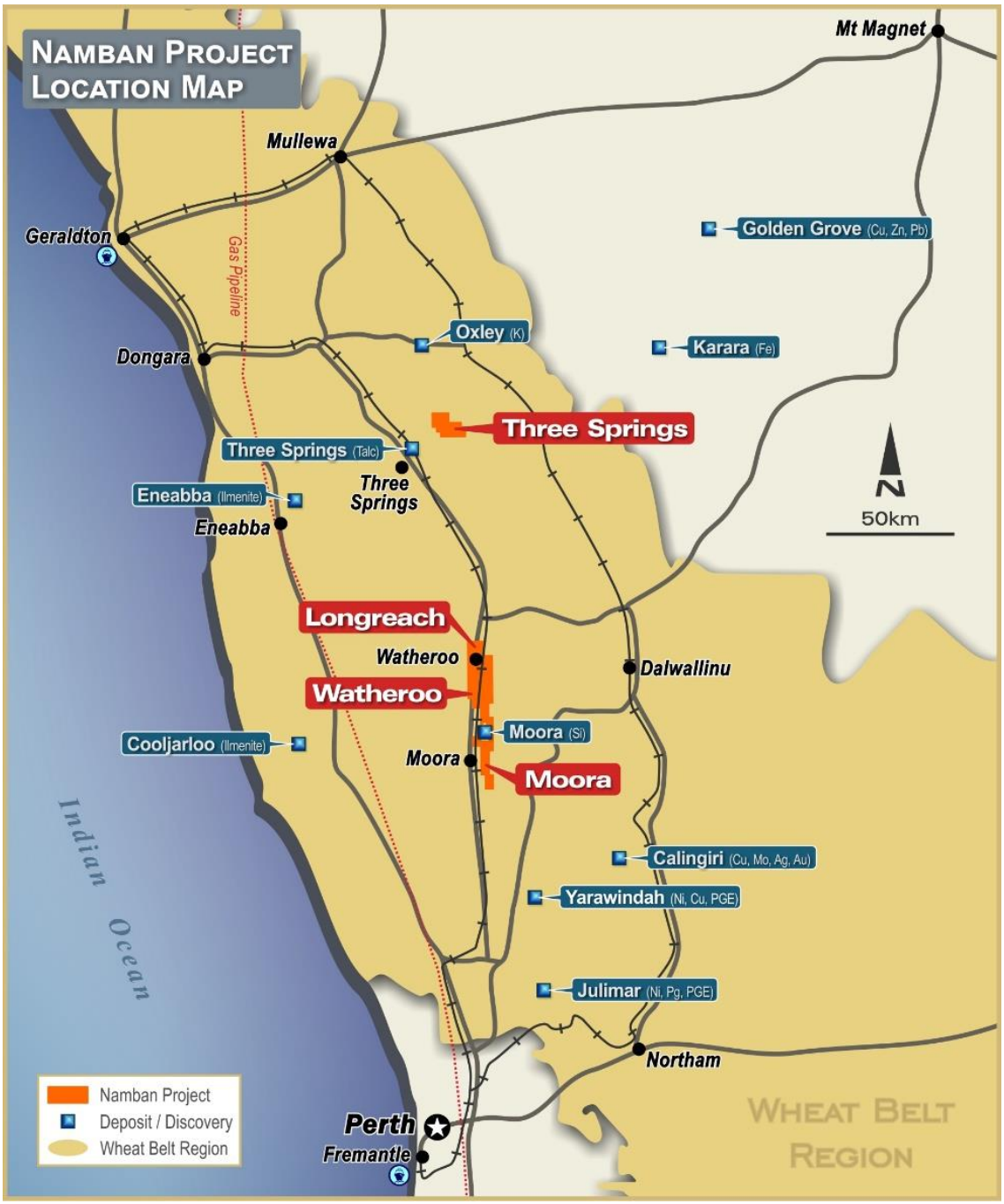

Figure 3: Namban Project tenements location map.

Appendix 1: Dalaroo Metals Ltd – UAV survey Namban Project - 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.*	No samples taken Magnetic survey locations were measured with a dual frequency GNSS receiver operating in autonomous mode, with x,y,z accuracies accurate to better than 1-2m. Elevations were derived using a laser altimeter. A UAV survey was conducted on 50m line spacing and 30m sensor height by Atlas Geophysics using PAS-H100 Rotary Wing helicopter. The magnetic data was collected using a Scintrex CS-VL Cesium Vapour magnetometer with the following parameters: • Sensitivity 0.0006nT sq rt RMS • Noise envelope 0.002nT peak to peak • Heading error +/_ 0.25nT
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.* *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.*	No drilling results reported. No drilling results reported. 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.*	No drilling results reported.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	No drilling results reported.
	The total length and percentage of the relevant intersections logged.	
Subsampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	No drilling results reported.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	No drilling results reported.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	No drilling results reported.
	Quality control procedures adopted for all subsampling stages to maximise representivity of samples.	No drilling results reported.
	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.	No drilling results reported.
	Whether sample sizes are appropriate to the grain size of 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.*	No drilling results reported.
	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.	Tie lines were flown to analyse the cross overs and assist with levelling the magnetic survey.
	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.	No drilling results reported.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	No drilling results reported.
	The use of twinned holes.	No drilling results reported.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	No drilling results reported.
	Discuss any adjustment to assay data.	No drilling results reported.

Criteria	JORC Code explanation	Commentary
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.*	Magnetic survey locations were measured with a dual frequency GNSS receiver operating in autonomous mode, with x,y,z accuracies accurate to better than 1-2m. Elevations were derived using a laser altimeter. Sample locations were collected and reported using the WGS84_UTM grid system. Magnetic survey altitude measurements were measured with a laser altimeter with accuracies better than 1cm.
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.*	No drilling results reported. No drilling results 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.*	The location within the Jimperding Metamporhic Belt where the magnetic surveys were undertaken includes areas with N-S and NW-SE magnetic grain and cross-cutting magnetic bodies, and N-S and NW-SE faults. The survey grids are unbiased. No drilling results reported.
Sample security	*The measures taken to ensure sample security.*	All magnetic data is digitally stored by the contractor and geophysical consultant.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Magnetic data has been independently checked by geophysical consultant Core Geophysics.

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 Namban Project tenements are wholly owned by Dalaroo Metals Limited (Dalaroo) The Project is located 150km north of Perth on freehold land. Tenure in the form of Exploration Licences with standard 5-year expiry dates which may be renewed. 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.*	Government DMIRS 200m spaced airborne magnetics and radiometrics data has been included.
Geology	*Deposit type, geological setting, and style of mineralisation.*	The primary mineralisation style being sought is nickel-copper-PGE (Ni-Cu-PGE) intrusive related deposits such as Julimar
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.*	No drilling results reported. No drilling results reported.
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 drilling results reported. No metal equivalent values have been reported.

Criteria	JORC Code explanation	Commentary
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 drilling results reported. No drilling results 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.*	Reporting of the magnetic results is considered 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.*	No additional meaningful and material exploration data has been excluded from this report.
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.*	Drill testing (aircore and or RC percussion drilling) will be undertaken on priority targets identified. These diagrams are included in the main body of this report.