

EIS Co-Funded Diamond Drilling Program at Goodbody Gold Discovery Commencing, Lyons River Project

Highlights

- Preparations well underway at the Goodbody Gold Discovery for co-funded Government Exploration Incentive Scheme diamond drilling program at the Lyons River Project, Gascoyne Province in Western Australia.
- Drilling and works contractors have been engaged, with all the necessary approvals in place.
- Four deep diamond drill holes will test below highly encouraging air core intersections defined at Goodbody during the June quarter 2024 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.
- Diamond drill program to build on the highly encouraging first pass results.
- Drilling at Goodbody commencing against a backdrop of an all-time high gold price.

Dalaroo Metals Ltd (ASX: DAL, "Dalaroo" or "Company") is pleased to announce that preparations have commenced for a diamond drilling program at its Goodbody Gold Prospect, Lyons River Project (Figure 1).

The diamond drill program will be partly funded by the Exploration Incentive Scheme ("EIS") sponsored by the Government of Western Australia. Dalaroo's application was successful in Round 29 of the Western Australian Government's EIS with an award of a \$100,000 grant to co-fund 50% of the direct diamond drilling cost. The drill program is expected to be commence towards the end of October 2024.

Dalaroo Managing Director Harjinder Kehal commented:

"We are excited to get preparations underway to undertake our maiden diamond drilling program at the Goodbody Gold Prospect. Diamond drilling at Goodbody pursuant to the EIS grant will greatly enhance our geological knowledge of the structural features controlling gold mineralisation and importantly discover high grades gold shoots at depth at the Lyons River Project."

Technical Commentary

Goodbody gold mineralisation

Gold mineralisation 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 Prospect lies within a broader, 6km long, gold in soil anomaly at 2ppb threshold (refer DAL ASX Announcement from 26 February 2024). (Figures 1 and 2).

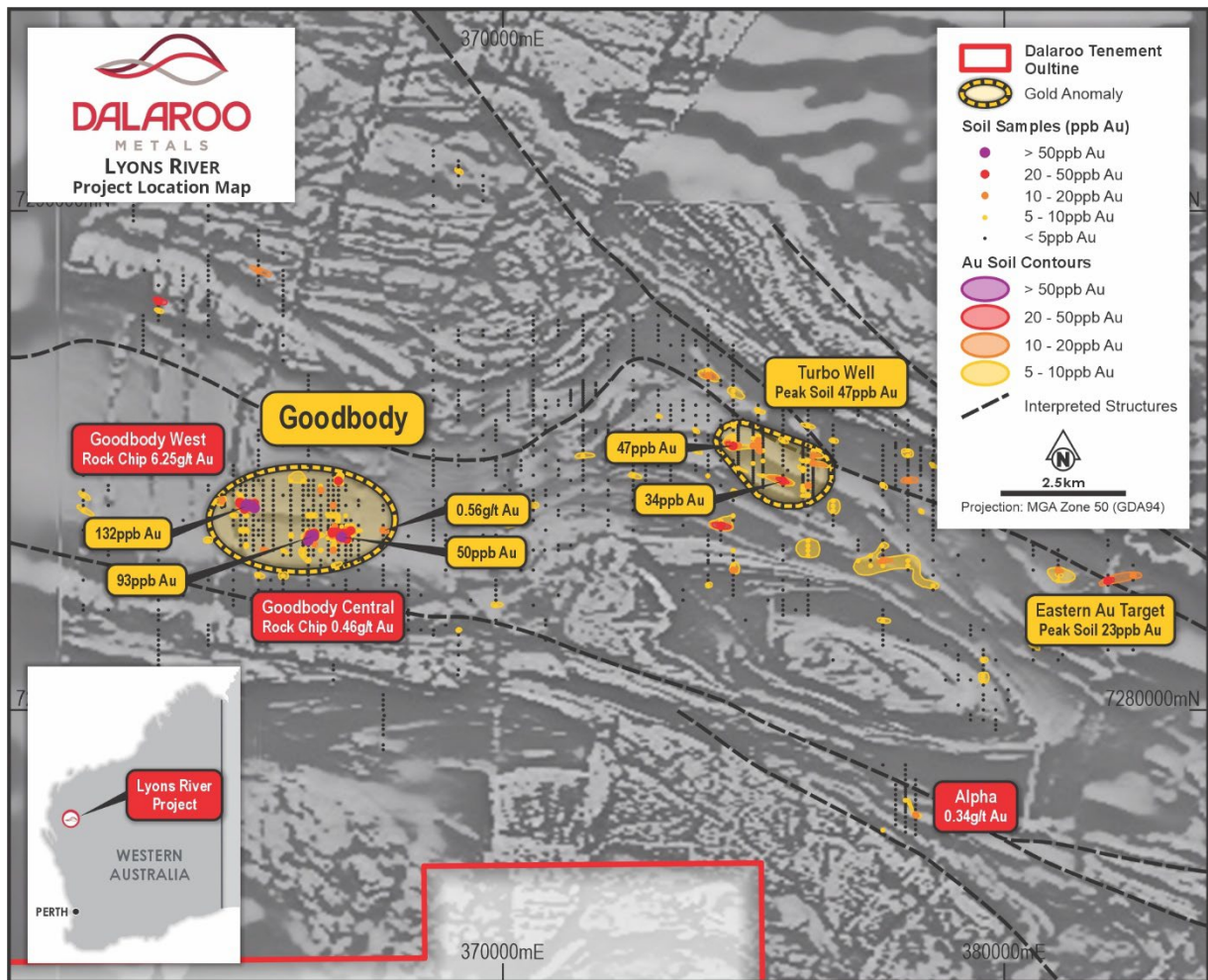


Figure 1: Location of Goodbody prospect in relation to other gold prospects and interpreted regional structures within Lyons River Project area. Overlaid on greyscale Total Magnetic Intensity (TMI) 1VD base map.

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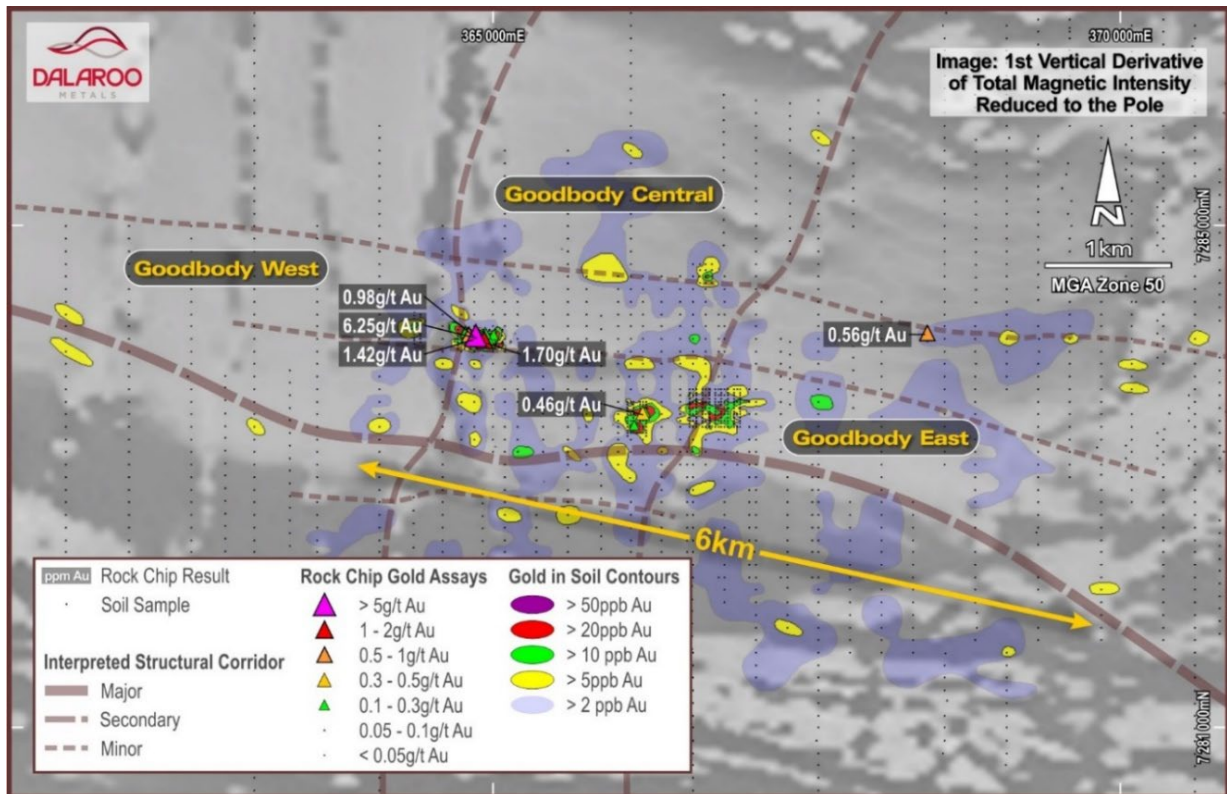


Figure 2. Location of rock chip samples within the Goodbody gold prospect area and soil geochemical anomalies. Overlaid on greyscale Total Magnetic Intensity (TMI)1VD basemap imagery.

Air Core drill program completed in late February 2024 on five north-south traverses covering 300m strike, to a maximum vertical depth of 42m (Figure 2) returned significant (> 0.1g/t Au) first pass results including (refer DAL ASX Announcement from 16 April 2024):

- **LRAC047:** 5m @ 0.85g/t Au from 9m, including **1m @ 1.83g/t Au** from 9m
- **LRAC048:** 21m @ 0.21g/t Au from 24m, including 1m @ 0.55g/t Au from 26m
- **LRAC049:** 1m @ 0.98g/t Au 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

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 (refer DAL ASX Announcement from 16 April 2024). 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. Significant Arsenic (As) anomalism, up to 1420ppm is also associated with gold mineralisation (refer DAL ASX Announcement from 16 April 2024).

Four diamond drill holes are planned (see Figure 3). 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.

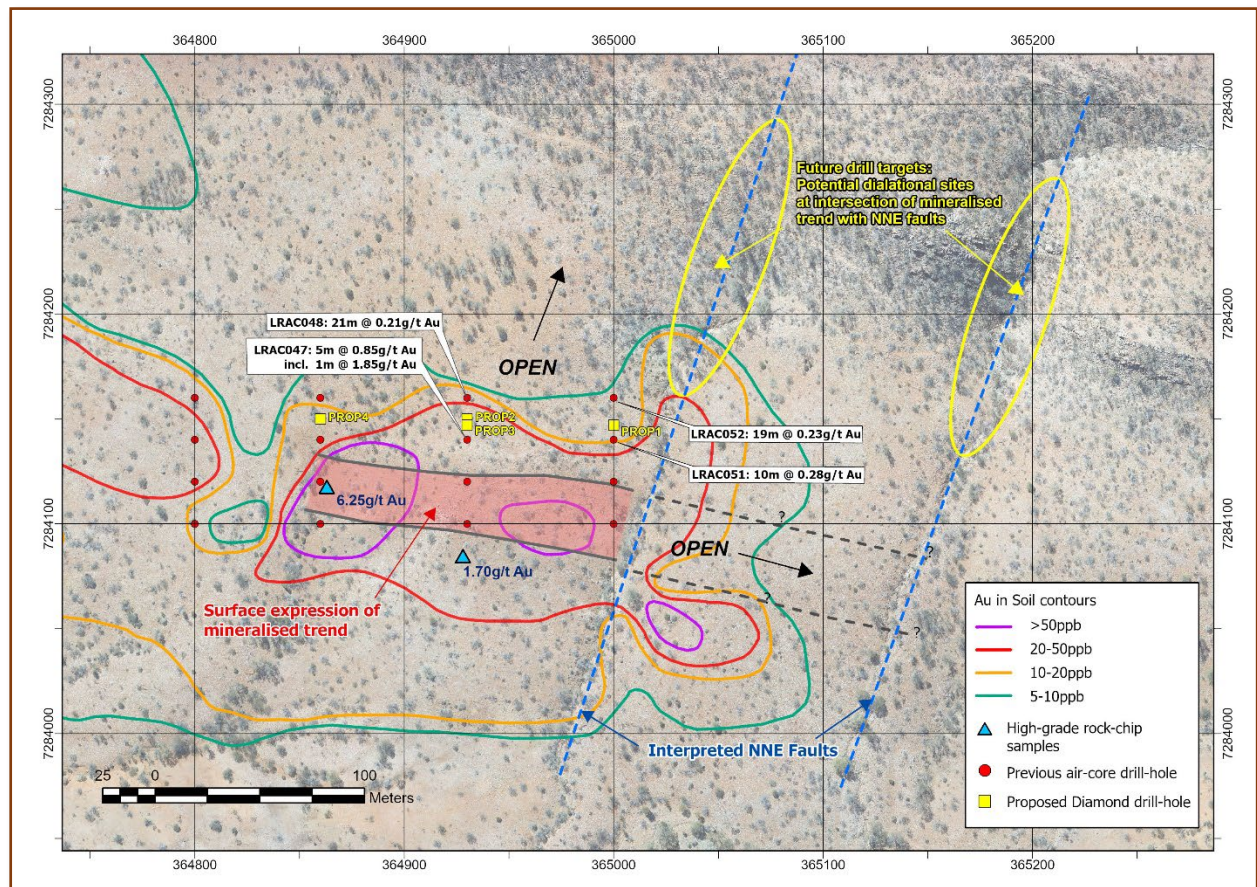


Figure 3: Goodbody West gold prospect and interpreted regional structures. AC drill holes and to be drilled (TBDD prefix) diamond drill hole locations.

ENDS

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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.

NO NEW INFORMATION

Except where explicitly stated, this report 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.

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About the Lyons River Project

Lyons River comprises a strategic (100% owned) land position of 838km² within the Proterozoic age Mutherbukin Zone of the Gascoyne Province in Western Australia. The Gascoyne Province is a deformed and high-grade metamorphic core zone of the early Proterozoic Capricorn Orogen. Geographically Lyons River is located approximately 1,100km north of Perth and approximately 220 km to the north-east of Carnarvon (Figure 4). Lyons River is prospective for, vein/shear related gold, BHT type mineralised base metals (Pb-Zn-Ag-Cu) and REE deposits (Figure 5).

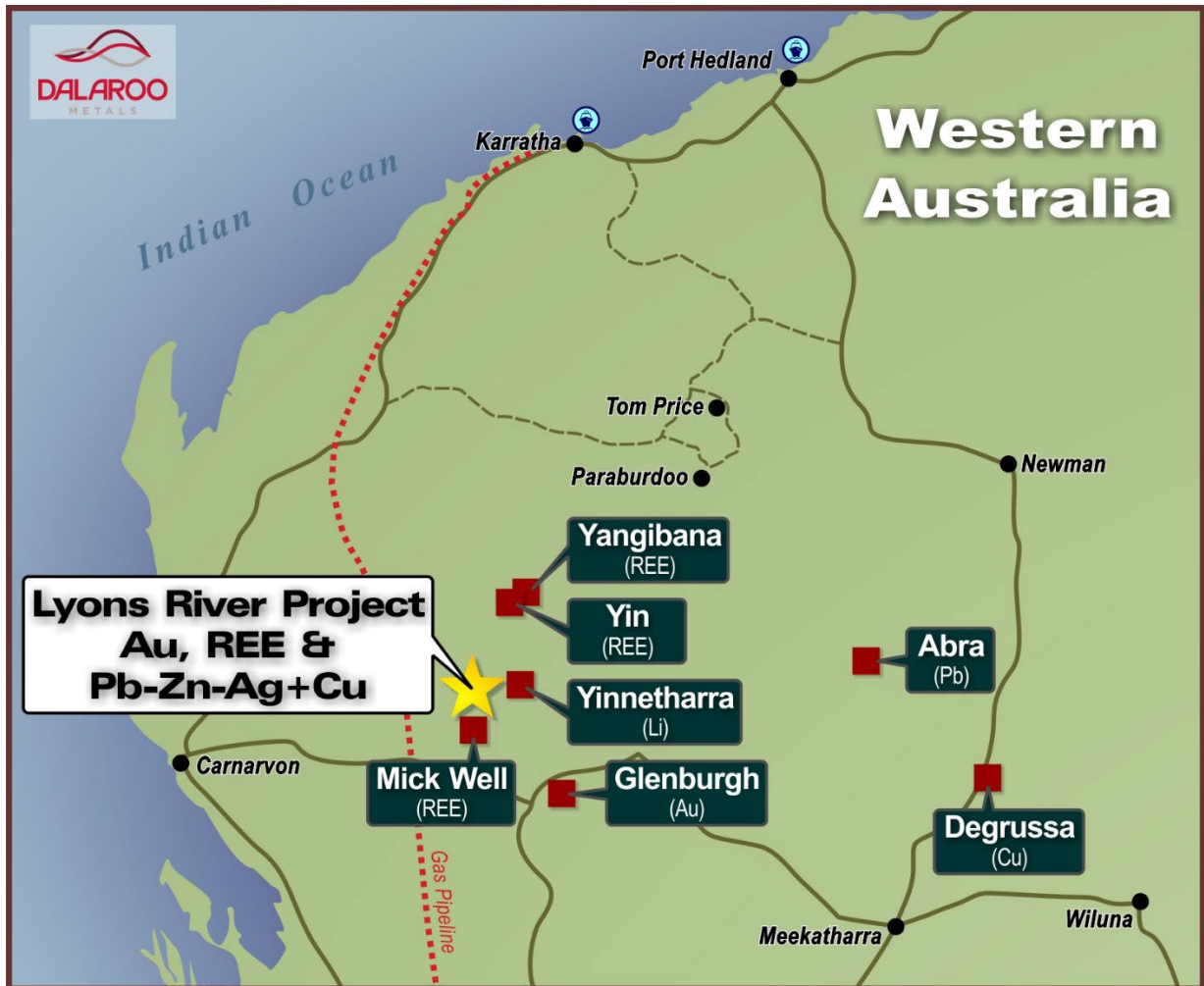


Figure 4: Lyons River Project location diagram

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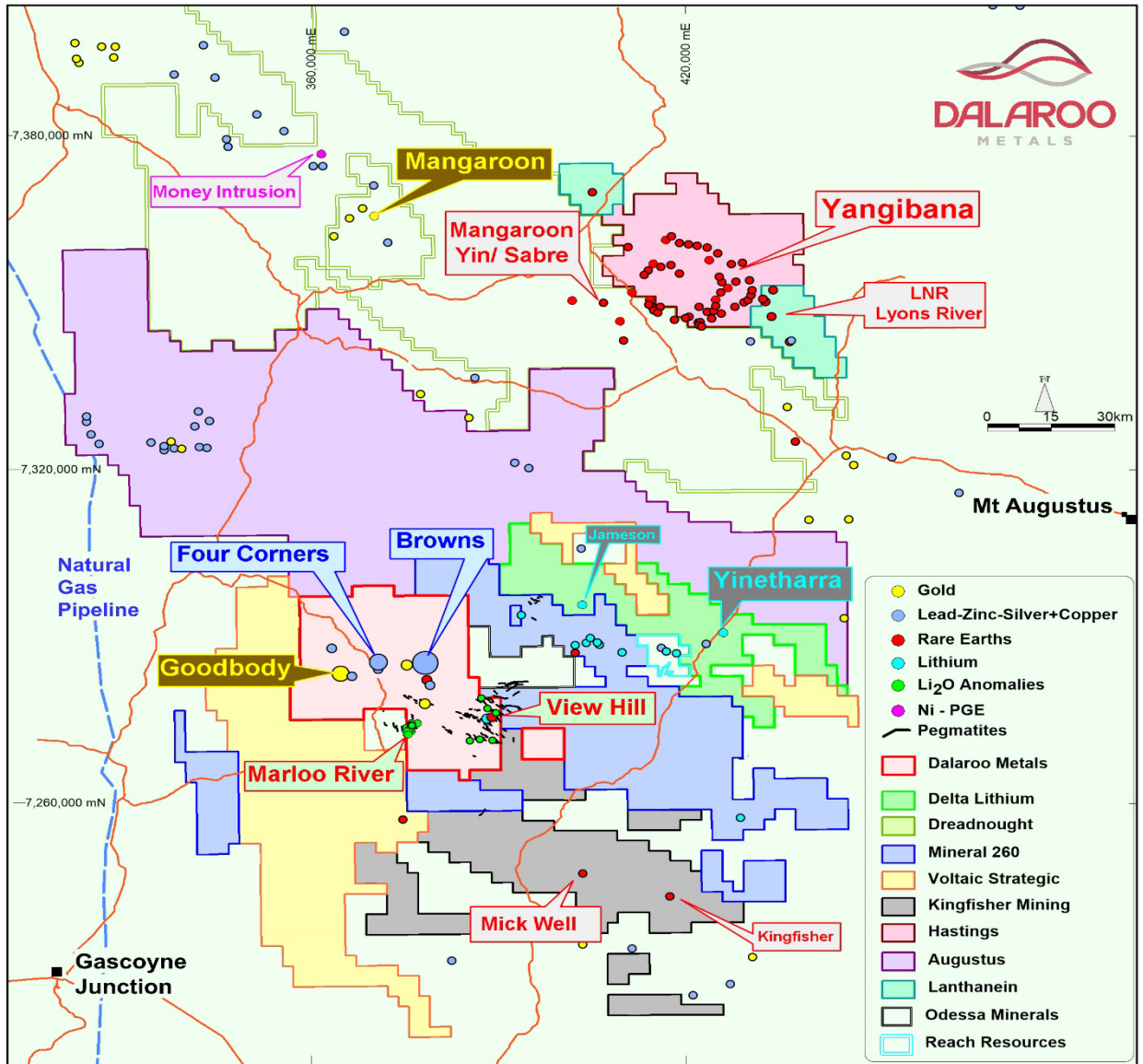


Figure 5: Dalaroo Metals, Lyons River Project in the Gascoyne Province showing neighbouring companies and prospects.

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