High grade base metal and silver results at Browns Pb-Zn-Ag prospect in Gascoyne Province

Highlights

- **High-grade base metal and silver rock chip results returned following geological reconnaissance at Browns prospect, Lyons River Project. Key assay results include:**

Sample #	Pb %	Ag g/t	Zn ppm	Cu ppm
2610BR_01	**39.6**	**64**	58	661
2610BR_04	**26.8**	**27.5**	32	598
2610BR_03	**25.2**	**54.5**	26	541
2610BR_02	**24.1**	**82**	36	815
2610BR_05	2.83	1.5	1030	781
2610BR_10	1.84	1	3630	383
2610BR_06	0.34	<0.5	4950	324
2610BR_08	0.24	<0.5	**7090**	437
2610BR_07	0.19	<0.5	3890	403

- **Mineralized rock chips from gossanous units, interpreted to represent surface expression of sulphide Pb-Zn-Ag mineralisation intersected in first-pass AC drilling July 2022 (significant intercepts include 8m @ 1.1% Pb and 2.50g/t Ag).**
- **Results highlight potential for high-grade Pb-Zn-Ag mineralization at depth in the Browns prospect area.**
- **Second phase 2,000m AC drill program planned and to commence at Browns - pending final approvals.**

Dalaroo Metals Ltd (**ASX: DAL** or "Company") is pleased to announce recently identified high-grade base metal and silver assay results ahead of the commencement of follow up (second phase) AC drilling program at the Browns prospect (Figure 1).

Dalaroo's Managing Director, Harjinder Kehal, commented: *"The high-grade rock chip results, such as nearly 40 per cent lead and 82 grams per tonne silver demonstrate that significant base metal enrichment and high-grade mineralization processes have taken place at the Browns prospect within the Lyons River Project. The potential for discovering additional high-grade zones at Browns is deemed strong following the delineation of a Pb-Zn-Ag mineralized zone over an approximately 800 m strike length in July 2022 AC drilling. Our next step is to drill a 2,000 metre focused follow up second phase program with angled air core drill holes which will test the size of Pb-Zn-Ag mineralized system at Browns."*

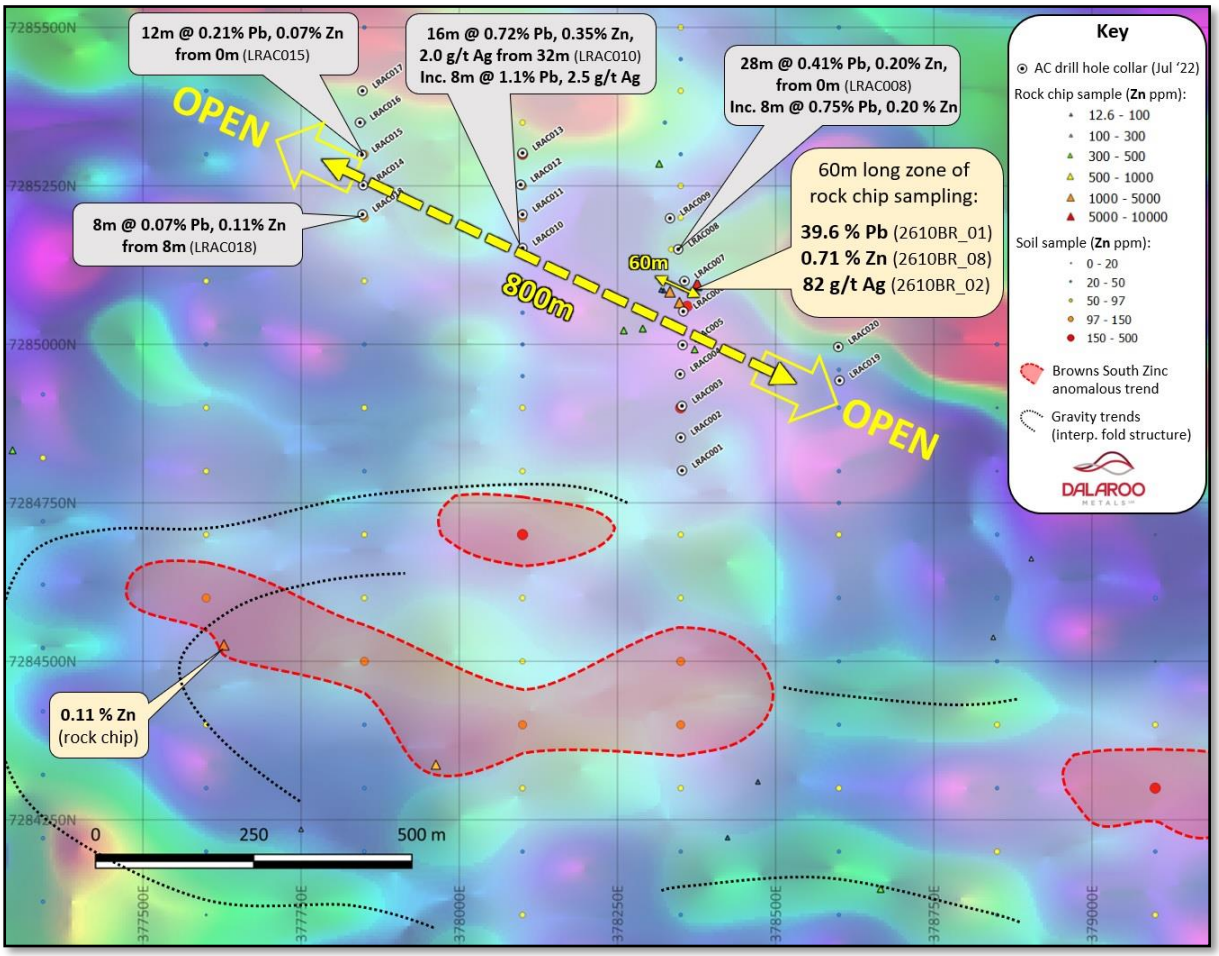

Figure 1: Location of recent rock chip samples within the July 2022 AC drilling area at the Browns prospect. Mineralized trend over 800 m remains open. Note southern Browns untested anomalous Zn geochemical trend coinciding with interpreted fold structure, outlined by 1st Vertical Derivative Bouger Anomaly Gravity basemap.

The ferruginous and gossanous rock units hosting the anomalous rock chip samples reported were discovered during recent geological site inspections of the Browns July 2022 AC drill zone. During this field work, geologists identified previously unsampled ironstone/ferruginous and locally gossanous rock units and float rock over a strike of approximately 60m, within the vicinity of drillholes intersecting Pb, Zn and/or Ag mineralization (Figure 1; Figure 2). These units have returned the highly anomalous base metal (up to 39.6% Pb, up to 0.71% Zn) and silver (up to 82 g/t Ag) concentrations reported herein (Table 1). Furthermore, it is noted that numerous mineralized samples contained co-enrichments of Cadmium (18 ppm), Thallium (32.9ppm) and Manganese (8400ppm) - an element suite associated with large-scale sedimentary rock hosted base metal mineralized systems (e.g. Large et al., 1999[1]).

Additionally, geologists have noted surface expressions of nickeliferous ultramafic rock units intersected in drilling (including 49m @ 0.24% Ni from 12 m [LRAC007]; (ASX: DAL - see release from 12 September 2022) as weathered ultramafic caprock units that extend eastwards over 100m beyond the drilled intersections.

Figure 2: Example photos of rock chip samples reported herein. **Above**: 2610BR_008. **Below**: 2610BR_004. Compare sample IDs with Table 1 results table.

Browns was targeted as one of six significant base metal (Pb-Zn) anomalies in soils identified across the 100% owned Lyons River project (703 km^2) through staged systematic soil geochemical surveys. Browns 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 3 and 4). Combined, the anomalous soil base metal zones span a 30 km x 10 km area of Paleoproterozoic basin stratigraphy within the Mutherbukin Zone, Gascoyne Province.

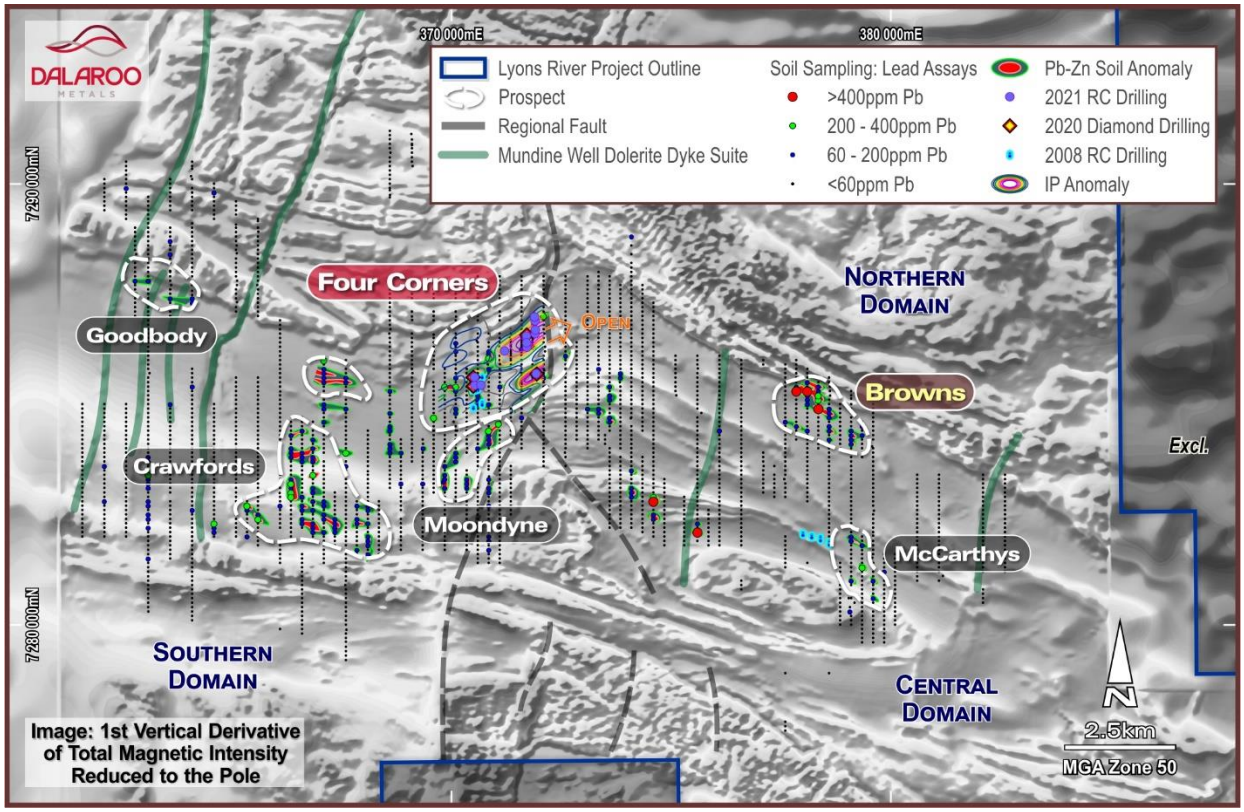

Figure 3: Lyons River, Browns prospect, Four Corners and five other Pb-Zn soil geochemical prospects /targets over greyscale 1st Vertical Derivative magnetics image

Figure 4: Example photo of Browns prospect area

The first pass AC drilling program completed in July 2022 outlined a new and significant BHT/Sediment hosted-style Pb-Zn-Ag mineralization, which has been defined over approximately 800m of strike length and remains open in all directions (Figure 1). Significant Pb-Zn sulphide intercepts from the July 2022 Browns AC drilling (ASX: DAL - see release from 12 September 2022) include:

- Drill hole LRAC010: *16m @ 0.72% Pb, 0.35% Zn and 2g/t Ag from 32m, including* ***8m @ 1.1% Pb and 2.50 g/t Ag from 36m***
- Drill hole LRAC008: *28m @ 0.41 % Pb, 0.20% Zn from 0m, including* ***8m @ 0.75% Pb, 0.20% Zn and 1.25 g/t Ag from 16m***

First pass AC drill program has only tested the northern part of the 2 km x 1 km zone of Pb-Zn soil/rock chip anomalism at Browns. Early geological interpretation of the recent drilling results and the available gravity and magnetics data outline an interpreted sub-basin fold or trough structure south of current drilling (Figure 1). Such a structure may represent a deeper portion of the paleo-basin architecture and a favourable environment for formation of prospective host stratigraphy. Significantly, this interpreted structure spatially coincides with elevated lead and zinc in soil and ironstone subcrop rock chip samples.

The significant results of Pb-Zn-Ag rock chips and AC drilling to date continue to confirm the potential for multiple Pb-Zn discoveries in the Lyons River project, an emerging new Broken Hill Type (BHT) / Sediment-hosted deposit-style terrain in Western Australia.

Next Steps at Lyons River

Base metal – Browns

Exploration activities planned for the Browns prospect for the remainder of 2022 include a focused follow up 2nd phase AC drill program comprising 24 angled AC drill holes for approximately 2,000 metres. The Company's AC drill program at the Browns prospect is designed to test the following:

- Up dip and step out from LRAC010 significant intersection of 8m of 1.1% Pb and 2.5g/t Ag.
- Northern limb of interpreted synclinal fold closure defined by detailed gravity, coincident with NW-striking and stratigraphy-parallel trend of anomalous Pb-Zn in soils and rock chips from outcropping ferruginous bands (see Figure 1).
- A NE-trending structural feature adjacent to drilled Pb-Zn-Ag mineralized intercepts, interpreted from gravity/magnetic and aerial imagery datasets
- Untested discrete Zn-in-soil anomalism

Rare Earth Potential

Systematic and detailed rock chip sampling is underway in areas of Rare Earth anomalism including area with previously reported results of up to 0.15% TREO at Lyons River (ASX: DAL - see release from 5 October 2022).

Lithium potential targets

A program of field geological mapping and rock chip sampling of outcropping pegmatites on the high priority lithium targets, generated by multi-element data review is underway. Soil geochemical sampling programs at the lithium targets is being completed. Results from the field geological mapping coupled with rock chip sampling and subsequent infill soil geochemical sampling programs will guide the next phase of exploration.

Goodbody – gold target

At Goodbody a broad east-west structural corridor containing gold anomalism and rock chip values of up to 6.25 g/t Au occurs over a strike length of several kilometres with the potential to host gold deposits. The Goodbody gold anomaly remains open to the west. Further infill soil geochemical sampling at Goodbody is being completed.

ENDS

For more Information:

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

Harjinder Kehal, Managing Director on +61 400 044 890

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.

REFERENCES

1. Large, R.R., Bull, S.W., and McGoldrick, P.J., 1999, Lithogeochemical halos and geochemical vectors to stratiform sediment hosted Zn–Pb–Ag deposits Part 2. HYC deposit, McArthur River, Northern Territory. Journal of Geochemical Exploration 68, 2000, pp. 105-126

About the Lyons River Project

Lyons River is located approximately 1,100km north of Perth and approximately 220 km 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).

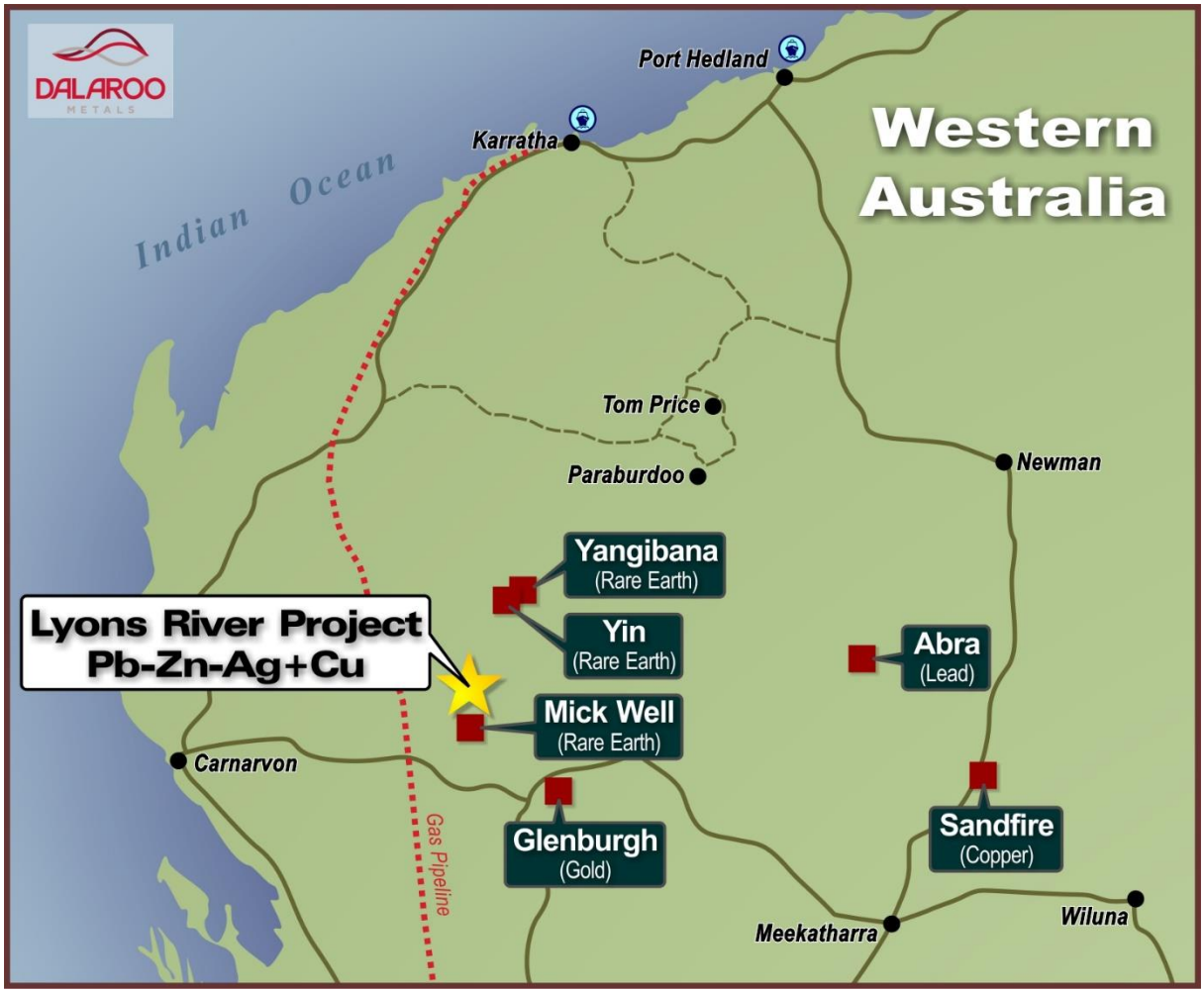

Figure 5: Lyons River Project location diagram

Sweet Spots for SEDEXs/BHTs

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 Project is located 156km away from the 170km LAB contour (Figure 6).

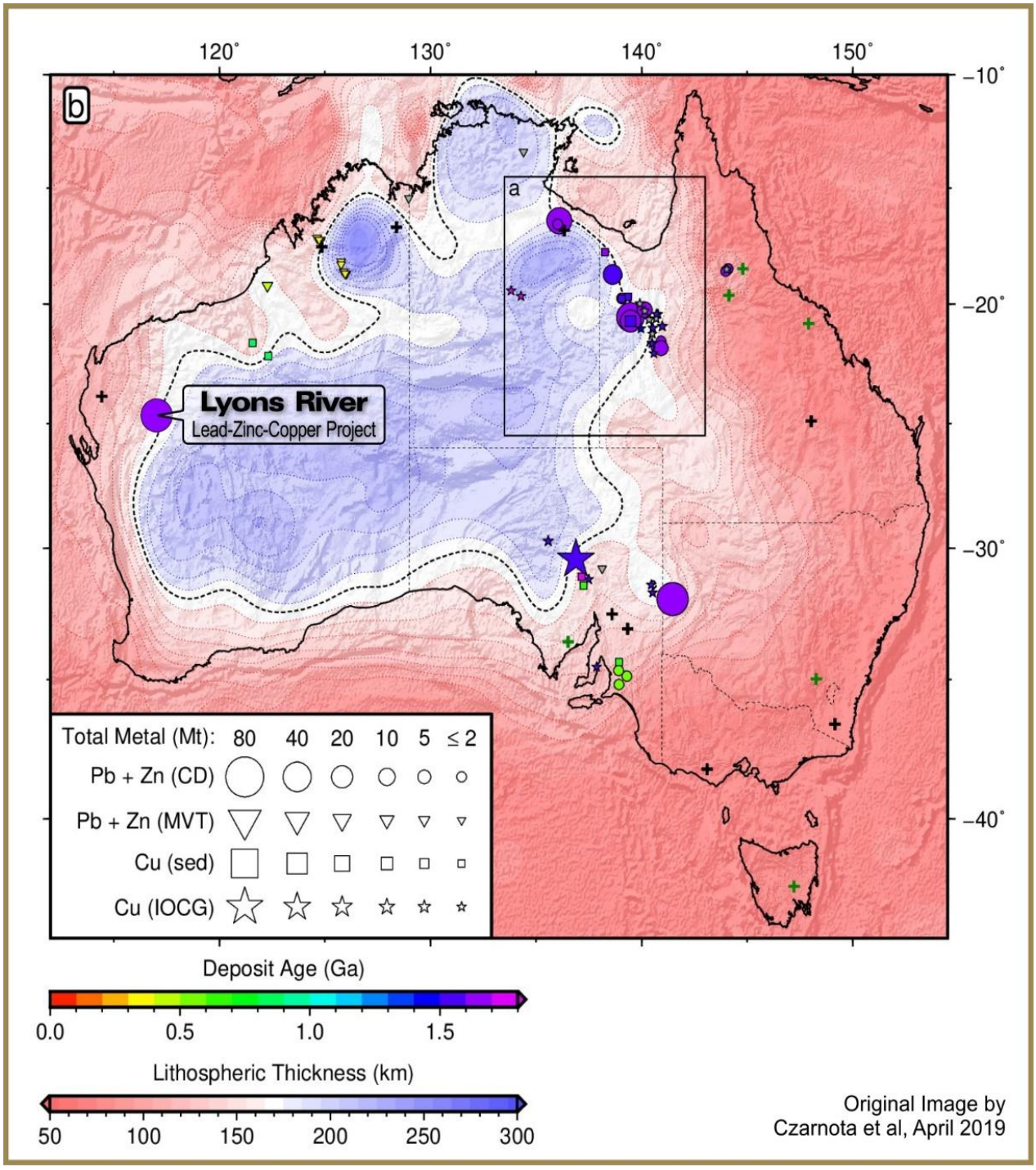

Figure 6: Distribution of BHT and Sediment hosted deposits, function of lithospheric thickness in Australia

Table 1: Rock chip sample locations with high grade Pb, Zn and silver results and selected other multi-element data.

Sample ID	East	North	Ag	Ba	Cd	Cu	Fe	Ga	Ho	In	Mg	Mn	Mo	Ni	Pb	Sb	Sr	Tl	Zn
			0.5	*1*	*0.5*	*1*		*0.2*	*0.02*	*0.05*	*100*	*2*	*0.5*	*2*		*0.1*	*0.5*	*0.1*	*2*
			ppm	*ppm*	*ppm*	*ppm*	*%*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*%*	*ppm*	*ppm*	*ppm*	*ppm*
2610BR_01	378323	7285085	**64**	355	1	661	0.08	1.2	0.2	0.35	2300	50	69	2	**39.6**	47	633	31.7	58
2610BR_02	378324	7285085	**82**	421	1	815	0.25	1	0.22	0.3	3100	72	55	6	**24.1**	68.6	568	24.3	36
2610BR_03	378318	7285086	**54.5**	241	0.5	541	0.19	1.2	0.1	0.3	2900	70	101	4	**25.2**	99.7	5170	27.3	26
2610BR_04	378317	7285086	**27.5**	339	0.5	598	0.15	0.8	0.1	0.25	2500	68	153	4	**26.8**	135	10700	32.9	32
2610BR_05	378333	7285083	1.5	49	5	781	45.6	4.6	5.26	0.05	4300	952	12	294	**2.83**	11.7	396	3.1	1030
2610BR_06	378374	7285093	<0.5	532	4.5	324	50.7	2.2	12.3	<0.05	1500	2700	2.5	1170	0.345	2.2	46	0.5	**4950**
2610BR_07	378375	7285095	<0.5	99	18	437	49.6	3.8	7.52	<0.05	2600	2060	2.5	642	0.193	1	35	0.3	**3890**
2610BR_08	378376	7285096	<0.5	303	5	403	48.8	3.4	20.9	<0.05	2200	1310	2	1760	0.244	0.6	37.5	0.5	**7090**
2610BR_010	378348	7285066	1	861	4.5	383	45	2	3.34	<0.05	6500	8550	20	2670	**1.84**	2.8	77	3.4	**3630**

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.* *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.*	Rock chip sampling Rock chip sampling across a gossanous ferruginous zone Rock chip samples were typically between 1 and 2 kg. The entire sample received by the laboratory was crushed and pulverised to 85% passing 75 micron. 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

Criteria	JORC Code explanation	Commentary
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.
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.*	Sample type and landform/regolith settings were recorded, and geo-tagged photos of samples and settings taken.
	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 sub-sampling has been undertaken.
	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.	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
	Quality control procedures adopted for all subsampling stages to maximise representivity of samples.	There was no sub-sampling
	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.	Entire sample submitted for assay and sample size is considered appropriate for the material being sampled.

Criteria	JORC Code explanation	Commentary
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 chip samples have been submitted to Bureau Veritas Laboratories for analysis by 4-Acid Digest - 0.2g Al, Ca, Cr, Fe, K, Mg, Na, P, S, Ti and V have been determined by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry. Ag, As, Ba, Be, Bi, Cd, Ce, Co, Cs, Cu, Dy, Er, Ga, Gd, Hf, Ho, In, La, Li, Lu, Mo, Nb, Nd, Ni, Pb, Pr, Rb, Re, Sb, Sc, Se, Sm, Sn, Sr, Ta, Tb, Te, Th, Tl, Tm, U, W, Y, Yb, Zn and Zr have been determined by Inductively Coupled Plasma (ICP) Mass Spectrometry.
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.*	Soil sampling spacing based on geology/structural framework. MRE not being reported.

Criteria	JORC Code explanation	Commentary
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.
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 Limited ("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.

Criteria	JORC Code explanation	Commentary
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.
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 drillholes are reported. The plan provided in the body of the report identifies the location of the geochemical 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.

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 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.
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, IP, 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.