

Delta Lithium Acquires Lyons River Project Lithium Mineral Rights

Highlights

- Dalaroo's Lithium Mineral Rights at the Lyons River Project have been acquired by Delta Lithium Limited.
- Consideration for the transaction is \$1,000,000, consisting of \$500,000 in cash and \$500,000 in Delta Lithium ordinary shares. In addition, Delta Lithium must expend a minimum of 50% of the annual statutory expenditure requirements on the Lyons River Project tenements (a commitment of \$280,000 per annum at the date of the Sale Agreement).
- The shareholding in Delta Lithium will provide potential upside benefits to Dalaroo through exposure to future exploration success by Delta Lithium at the Lyons River Project and the drill out/resource definition underway at its nearby Yinnetharra Project as well as the mine development at the Mt Ida lithium Project.
- Dalaroo plans to focus on its Goodbody gold prospect, Browns base metal prospect and the View Hill REE prospect at the Lyons River Project.

Dalaroo Metals Ltd (ASX: DAL) (Dalaroo or Company) is pleased to announce that it has executed a binding agreement (Sale Agreement) with Delta Lithium Limited (ASX: DLI or Delta Lithium) to sell the rights to lithium, caesium and tantalum minerals (Lithium Minerals) at its Lyons River Project (Lithium Mineral Rights) in the Gascoyne Province of Western Australia (Figures 1 and 2).

The consideration of \$1,000,000 for the transaction comprises \$500,000 in cash and \$500,000 of DLI ordinary shares. In addition to the consideration, Delta Lithium must expend a minimum of 50% of the annual statutory expenditure requirements on the Lyons River Project tenements (a commitment of \$280,000 per annum at the date of the Sale Agreement) for a period of 3 years from Completion. The Company will still retain ownership of the Lyons River Project tenure (Table 1) and hold rights to all other metals and minerals apart from the Lithium Minerals.

Dalaroo will now focus its exploration efforts on its newly outlined Goodbody gold prospect, Browns 3.5km X 2km Pb-Zn-Ag-Cu prospect and View Hill rare earth element (REE) prospect at the Lyons River Project covering an area of 838 km² (Figure 1).

Dalaroo's Managing Director, Harjinder Kehal, commented:

"The sale of the Lithium Minerals Rights and Dalaroo's shareholding in Delta Lithium provides potential upside benefits through exposure to future exploration success at the Lyons River Project by DLI and its Yinnetharra and Mt Ida lithium projects. The divestment of the Lithium Minerals Rights will allow Dalaroo to focus on the gold potential at the Lyons River Project in a rising gold price environment that is above US\$2,000.

“Our Goodbody gold prospect presents itself as a compelling drill target with high grade results of up to 6.25g/t Au in an overall 6km strike length gold anomalous zone. High grade copper with assay results from rock chip sampling over the expanded 3.5km X 2km Browns base metal Pb-Zn-Ag-Cu prospect will be the focus of a deep diamond drilling program in the first quarter of 2024 leading potentially to the discovery of a BHT mineralized system in the Gascoyne Province”.

Lithium Minerals Rights Sale Agreement

The key terms of the Lithium Minerals Rights Sale Agreement between DAL and DLI are as follows:

- Consideration of \$1 million comprises:
 - \$500,000 cash payable within 10 business days of execution of the binding term sheet; and;
 - \$500,000 of DLI ordinary shares, with the number based on the VWAP of DLI ordinary shares calculated over the 10 trading days up to the date of satisfaction or waiver of the Condition Precedent.
- DLI to seek quotation of the Consideration Shares within 5 business days and provide a section 708A(5)(e) notice to the ASX.
- DLI must expend a minimum of 50% of the annual statutory expenditure requirements on the Lyons River Project tenements (a commitment of \$280,000 per annum at the date of the Sale Agreement) for a period of 3 years from Completion (Table 1).

Table 1: Lyons River Project, List of Tenements

Project Name	Location	Tenement Licence	Interest held at 30 November 2023
Lyons River	WA	E09/1824	100%
Lyons River	WA	E09/1825	100%
Lyons River	WA	E09/2098	100%
Lyons River	WA	E09/2102	100%
Lyons River	WA	E09/2304	100%
Lyons River	WA	E09/2305	100%
Lyons River	WA	E09/2312	100%
Lyons River	WA	E09/2713 (application)	100%

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.

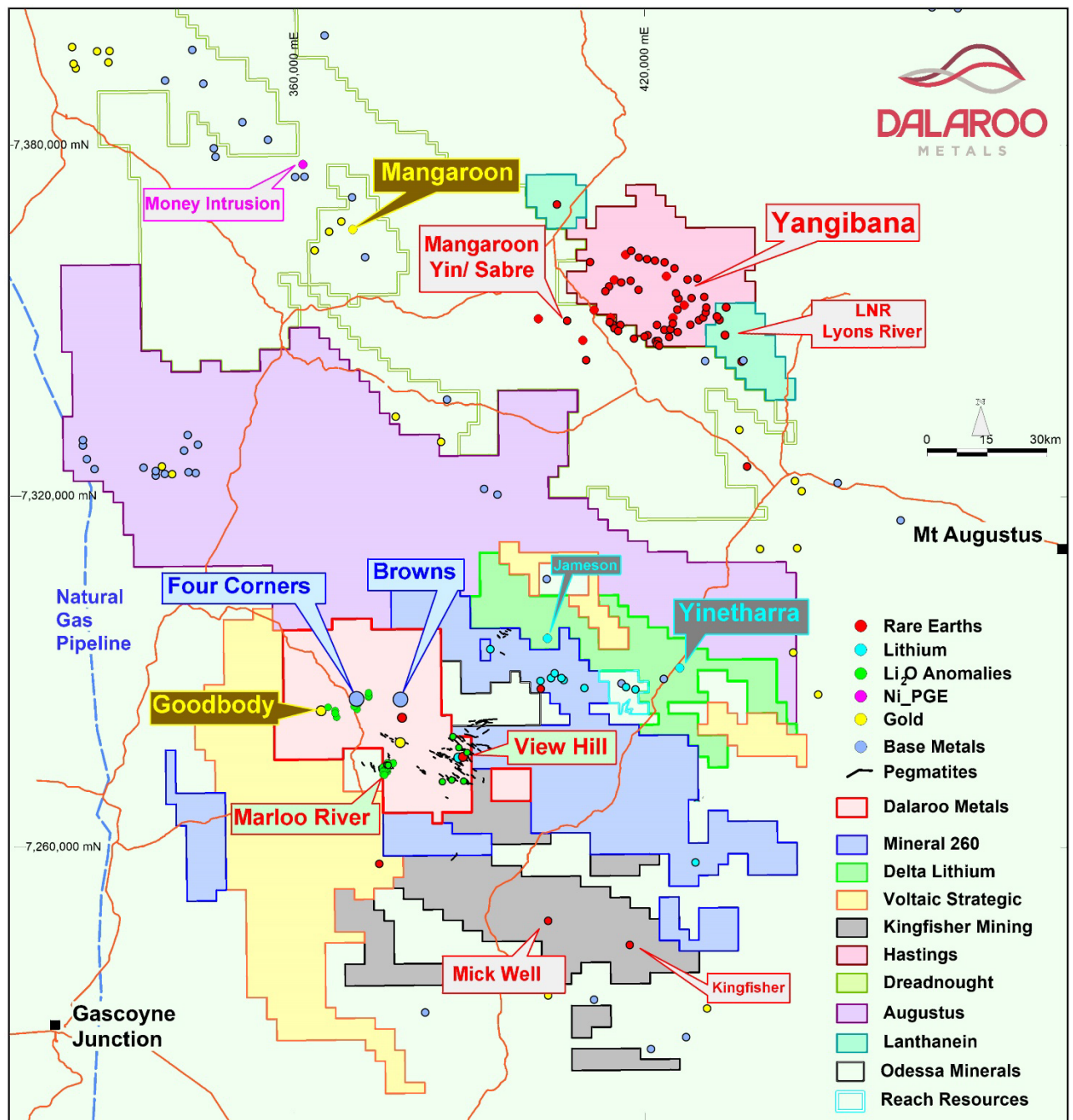


Figure 1: Dalaroo Metals, Lyons River Project with its Goodbody gold prospect and Browns base metal prospect in the Gascoyne Province. Delta Lithium' Yinnetharra Project is located approximately 20km to the east of Lyons River Project (shown in green).

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 Proterozoic Capricorn Orogen (Figure 2).

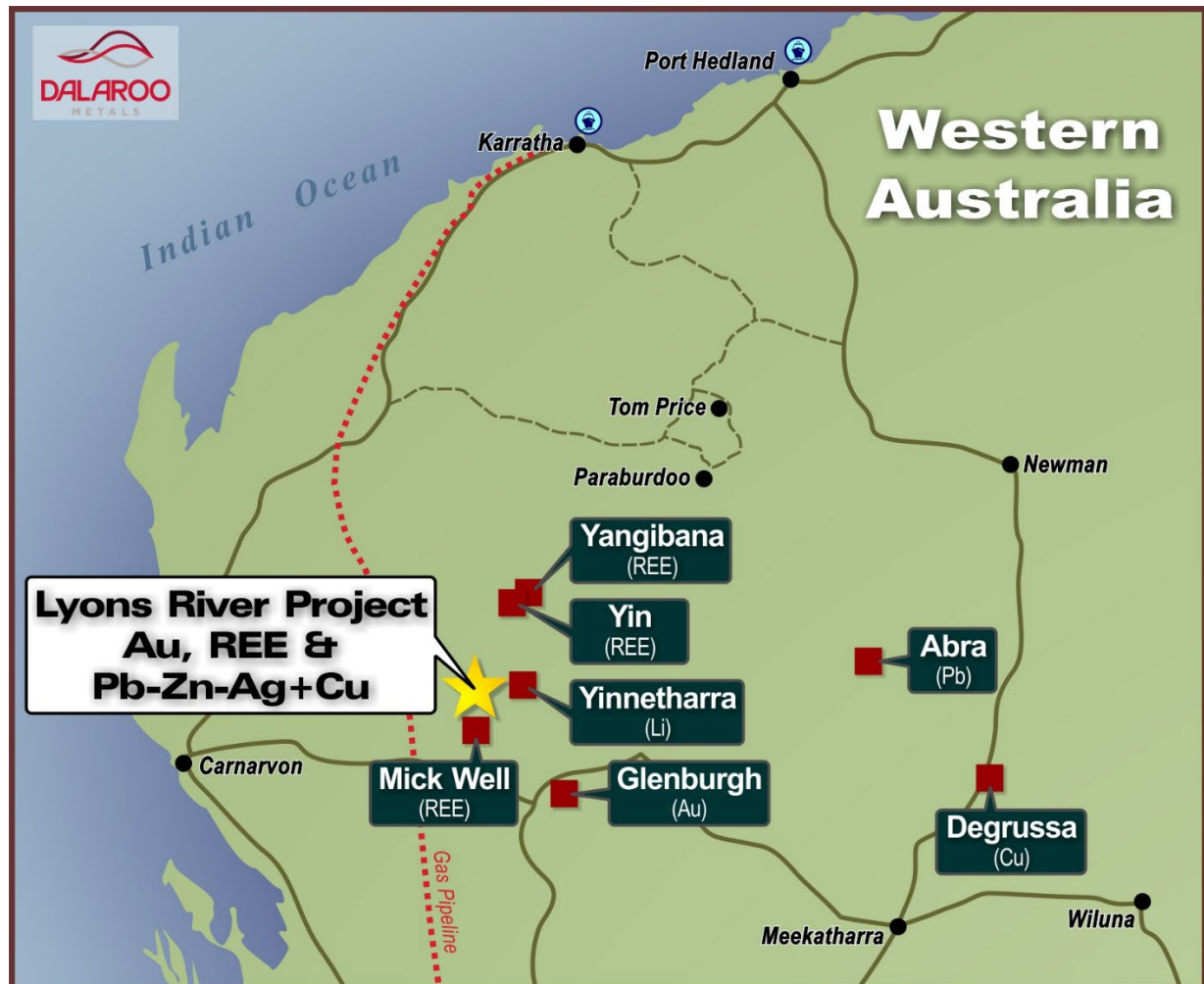


Figure 2: Lyons River Project location diagram

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.