

New Lithium Targets at Lyons River Project, Gascoyne Province – Updated

Dalaroo Metals Ltd (**ASX: DAL**, “Dalaroo” or “Company”) refers to the announcement titled New Lithium Targets at Lyons River Project, Gascoyne Province that was lodged with ASX on 10 October 2023.

The announcement has been updated to incorporate tables showing the full results of the soil samples that reported **334 ppm Li₂O** and the full results of the rock chip sampling program shown in Figure 2.

Attached is a copy of the updated announcement.

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.

New Lithium Targets at Lyons River Project, Gascoyne Province

Lyons River Project Lithium Highlights

- Soil geochemistry defines several new lithium targets at View Hill prospect in the Gascoyne Province of Western Australia.
- The View Hill targets have a peak value of 334 ppm Li₂O and lie within a large pegmatite cluster measuring 9km X 6km in the eastern part of Lyons River and remains open to the south, west and east.
- Exploration is being fast tracked to complete rock chip sampling over View Hill and at other lithium anomalies to define spodumene-bearing pegmatites with drill planning in progress.
- Lyons River is located in the Gascoyne Province, an emerging lithium and rare earth element hotspot.

Dalaroo Metals Ltd (ASX: DAL, “Dalaroo” or “Company”) is pleased to announce the delineation of several new lithium targets within the Lyons River Project, which covers an area of 740km², and is located in the Gascoyne Province of Western Australia, an emerging lithium and rare earth element hotspot (Figures 1, 2 and 5).

Dalaroo’s Lyons River Project is located approximately 22km south-west of the Yinnetharra Lithium Project, where Delta Lithium Limited (ASX: DLI) has significant intersections of 29m @ 1.5% Li₂O and 36m @ 1.1% Li₂O (Refer DLI’s ASX Announcement dated 4 July 2023).

The new lithium targets at Dalaroo’s View Hill prospect have been outlined by follow-up/infill soil geochemistry, completed in August 2023 on a 200m X 100m pattern (first pass sampling was completed on lines 1km X 100m). A total of 813 soil samples were collected, of which one of the lithium targets (**3km long and 0.5km**) has a peak value of **334 ppm Li₂O** (refer Table 1) and is comparable to lithium anomalism obtained by Dalaroo’s neighbours (Refer MI6 ASX Announcement dated 25 July 2023).

Importantly, the lithium targets lie within the large pegmatite cluster measuring 9km X 6km in the eastern part of the project, where pegmatites up to 100m wide and 3km long have been mapped. The significant lithium anomalism outlined to date remains open to the south, west and east (Figures 3 and 4).

Dalaroo’s Managing Director, Harjinder Kehal, commented:

“It is very pleasing to have outlined a robust 3km long lithium target with peak value of 334 ppm Li₂O which is comparable to soil geochemical anomalies outlined by our neighbours to the east in the Gascoyne Province. In addition, soil sampling as an exploration tool by Dalaroo is continuing to highlight new lithium targets within a 30km strike length, north-west trending D5 Edmundian shear zones in the eastern part of Lyons River Project”.

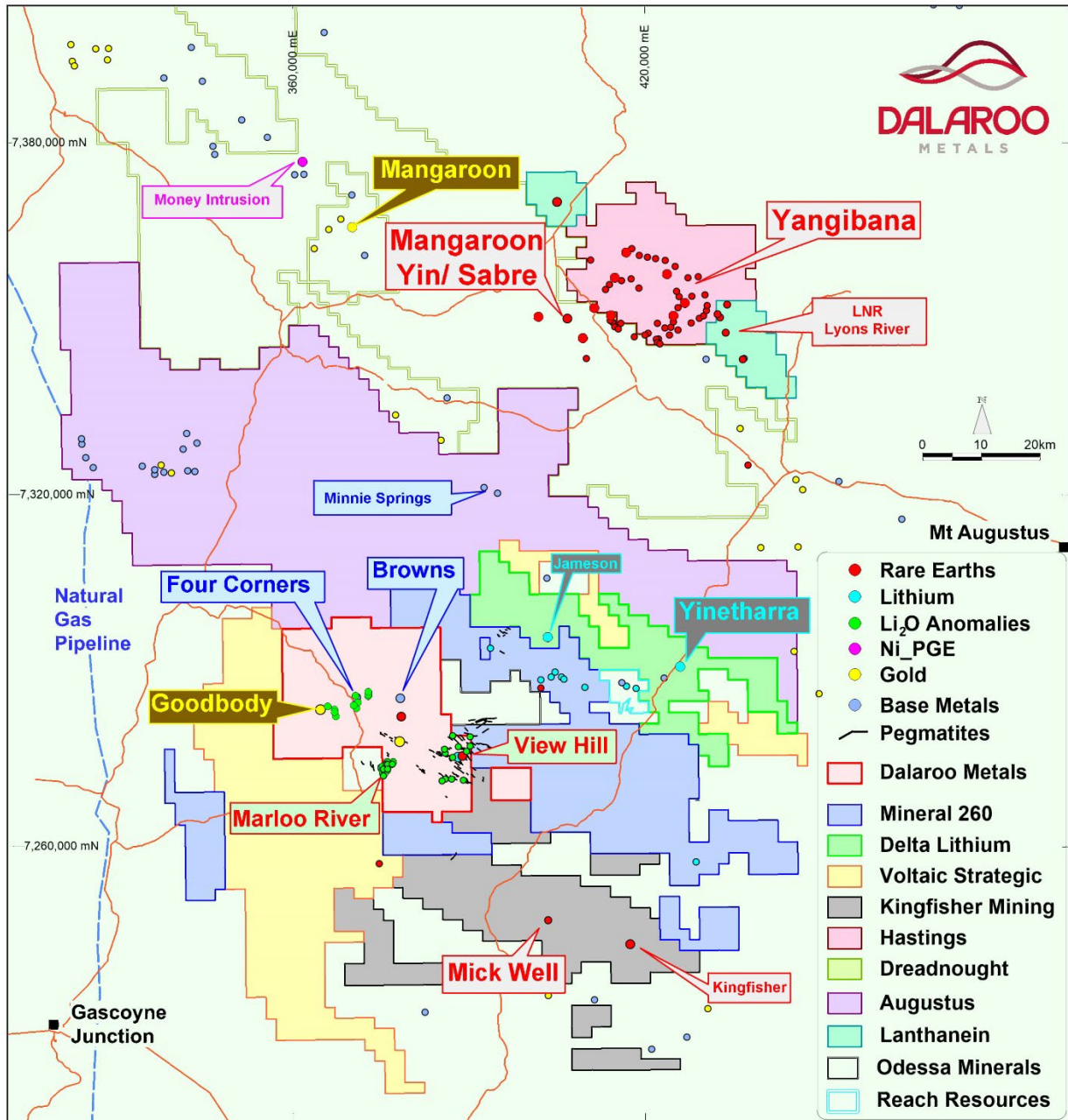


Figure 1: Dalaroo Metals, Lyons River Project in the Gascoyne Province REE and lithium neighbouring companies and prospects

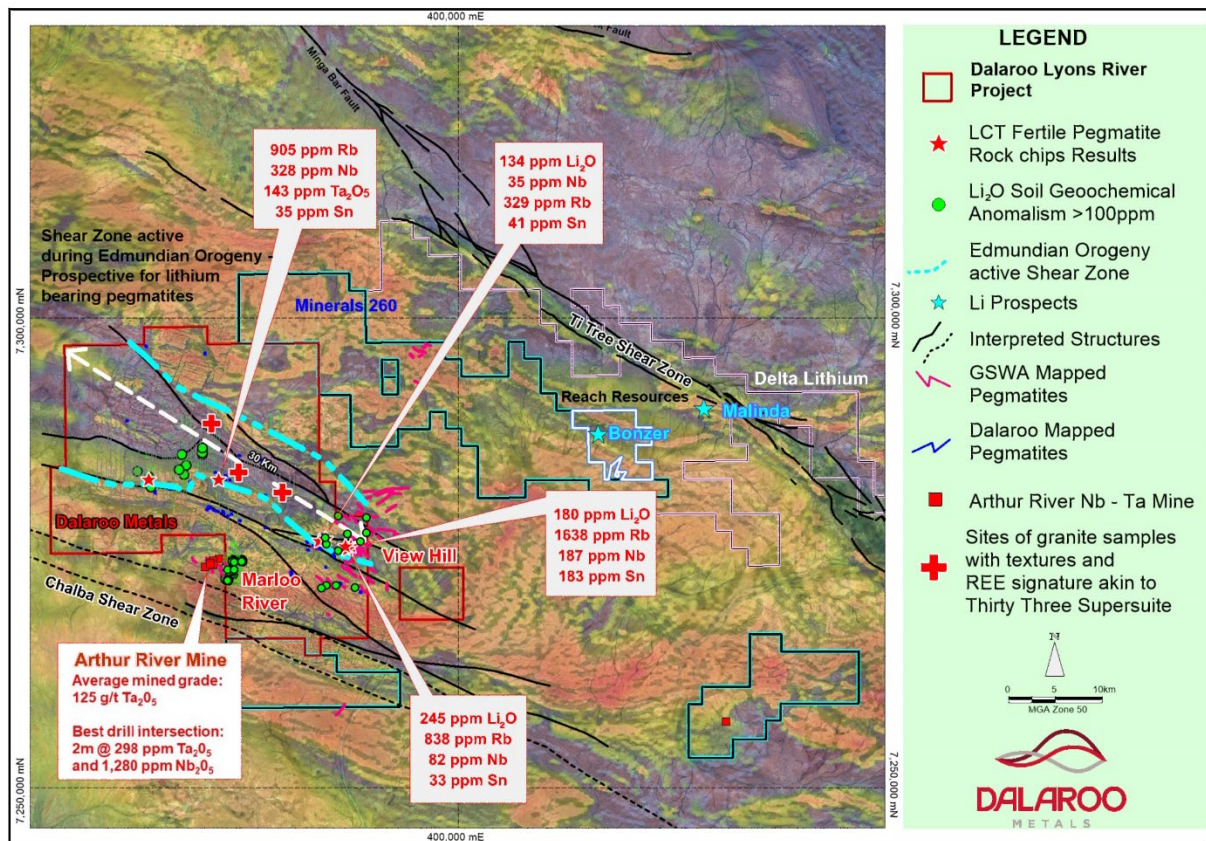


Figure 2: Lyons River Project – Major shear zone/corridor active during the Edmundian Orogeny, with potential for lithium bearing pegmatites. Rock chip assay results are detailed in Table 2.

Lithium Potential - Technical Commentary

Structural mapping within the Lyons River Project has identified several major shear zones, each over 30km long and 6km wide, that formed during the Neoproterozoic Edmundian Orogeny. This orogeny was the fundamental driver of deformation along the nearby Ti Tree Shear Zone, and it was responsible for the emplacement of spodumene pegmatites in the Yinnetharra District, which are now the focus of Delta Lithium's resource drilling activity.

Pegmatites emplaced during the Edmundian Orogeny are associated with granite intrusions of the Thirty Three Supersuite (TTS) and recent mapping has confirmed that intrusive rocks of the TTS were also emplaced within shear zones at the Lyons River Project (Figure 2). The TTS intrusions comprise granite stocks and granitic pegmatite (microcline-quartz-muscovite-tourmaline). Large pegmatite swarms have been mapped in the central part of the project area, as well as in the east (View Hill) where they cover an area of 9km X 6km.

Rock chip sampling completed to date of outcropping pegmatites at View Hill has confirmed whole rock geochemistry considered highly fertile for LCT-type pegmatites (Figure 2).

A pegmatite swarm that outcrops in the newly identified shear zone and across a 9km X 6km area has returned anomalous rock chip values of 245 ppm Li₂O, 1638 ppm Rb, 187 ppm Nb and 183 ppm Sn. Rock chip sampling of pegmatites, west of View Hill in the central part of Lyons River Project, has returned significant Ta₂O₅ and Nb values of 143 ppm and 328 ppm respectively with anomalous Rb of 904 ppm (ASX: DAL - See ASX: Announcement from 1 December 2022)(refer Table 2). This is indicative of highly fractionated LCT pegmatites and supports the interpretation that the shear zone/corridor is fertile, with potential for higher grade lithium at depth.

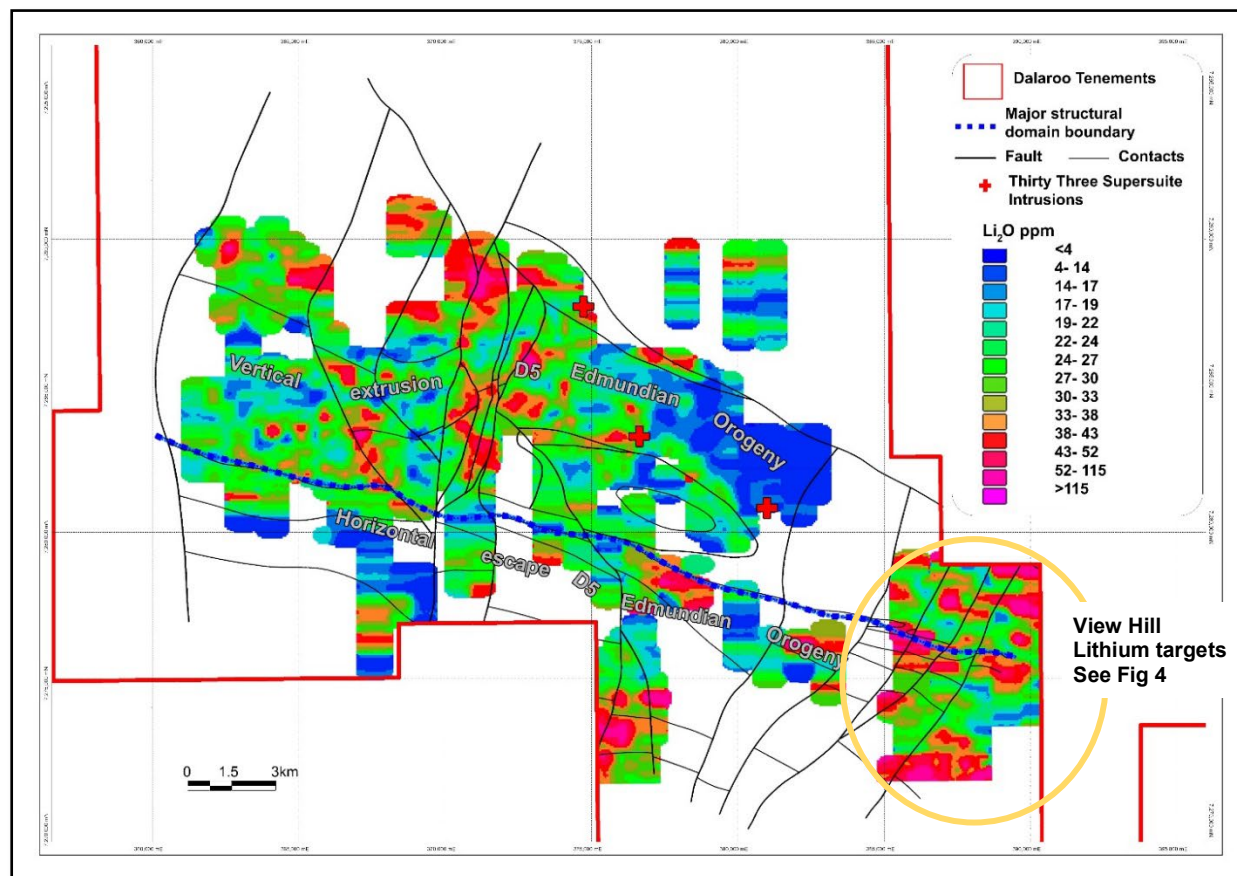


Figure 3: Structural domain map with north-south faults and **significant lithium targets outlined at View Hill Lyons River Project.**

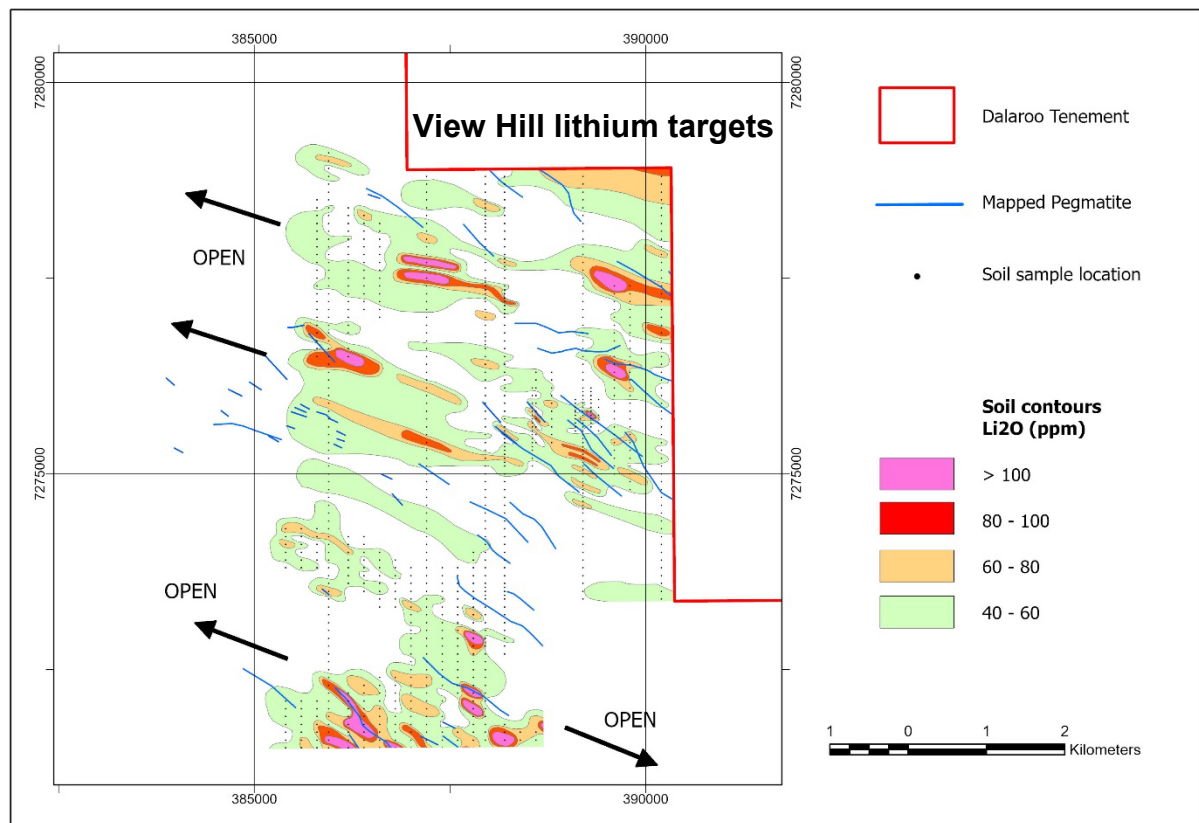


Figure 4: View Hill: lithium soil geochemistry showing main anomalous trends, open to the south, west and east.

Next Steps

Lithium Potential

Current phase of pegmatite rock-chip sampling and detailed field geological mapping to outline Li-bearing spodumene pegmatites within the 30km long northern shear zone is well underway, expected to be completed by end of October 2023.

Assay results from rock chip sampling of the highly fertile for LCT-type pegmatites is expected to be received during October 2023. The results from this sampling program will lead to drill target definition.

Exploration is being fast tracked to complete rock chip sampling over View Hill and at other lithium anomalies with drill planning in progress. Drill testing will be undertaken once all approvals are in place.

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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.

¹The identification of pegmatites in the mapping completed to date does not imply the presence of lithium mineralisation. The presence of any lithium mineralisation will be determined by drilling and laboratory analyses.

Table 1: View Hill soil assays results > 80ppm Li₂O

Sample_ID	East GDA94	North GDA 94	Li ₂ O ppm
LRS5751	388200	7271600	334
LRS5602	386400	7271800	188
LRS5917	389600	7277400	181
LRS5739	387800	7272000	160
LRS5590	386200	7271800	133
LRS5990	386200	7276500	132
LRS5730	387800	7272900	125
LRS5235	387200	7277700	122
LRS5603	386400	7271700	111
LRS5237	387200	7277500	109
LRS5059	389300	7275750	108
LRS5587	386200	7272100	105
LRS5737	387800	7272200	105
LRS5391	385950	7271600	102
LRS5928	389600	7276300	102
LRS5390	385950	7271700	98
LRS5972	385800	7276800	97
LRS5127	390200	7277300	95
LRS5258	387200	7275400	95
LRS5346	385950	7276100	95
LRS5927	389600	7276400	91
LRS4326	388200	7277200	90
LRS5656	387000	7271700	90
LRS5750	388200	7271700	86
LRS5942	389800	7277400	86
LRS5384	385950	7272300	84
LRS5601	386400	7271900	84
LRS5342	385950	7276500	83
LRS5343	385950	7276400	83
LRS5731	387800	7272800	83
LRS5132	390200	7276800	82
LRS4293	387950	7277400	81
LRS4373	389200	7275200	81
LRS4374	389200	7275300	81
LRS5112	390200	7278800	80
LRS5903	388600	7275700	80
LRS5969	385800	7276500	80

Table 2: Assay results for rock chip samples from pegmatites collected at Lyons River (previously reported on 1 December 2022. Li₂O and Ta₂O₅ values have been added in this table and shown in Figure 2). All values shown in this table are ppm.

Sample ID	East GDA94	North GDA94	Be	Ca	Ce	Cs	K	Li	Li ₂ O	Na	Nb	Pb	Rb	Re	Sn	Ta	Ta ₂ O ₅	Zn
22LRR002	385238	7276401	4	1386.5	1.3	25.5	75799	1.1	2.4	26691.4	1.4	65.8	692.1	<0.1	<1	0.9	1.1	6.9
22LRR003	385877	7276607	2.7	515.8	3.2	5.2	34172.2	62.5	134.5	2707.9	34.6	3.8	328.8	<0.1	41.2	2.8	3.4	33.5
22LRR004	388597	7275791	19.5	438.7	7.1	43.8	76783	84	180.8	5265.1	187.2	4.3	1638	<0.1	182.8	22.2	27.1	81.9
22LRR005	388211	7275495	9.7	626.5	3.6	13.4	75806.5	114.3	246.1	5481.8	81.6	4.6	837.9	<0.1	32.8	6.1	7.4	65.7
22LRR006	388219	7275490	1.9	843.3	2.6	10.6	97121	3.5	7.5	21223.2	5.1	111	650.7	<0.1	2.8	0.9	1.1	8.4
22LRR007	388033	7275794	1.2	4775.1	34.3	1.2	22761.5	3.1	6.7	35176.9	15.2	31.8	49	<0.1	1.5	2.5	3.1	12.7
22LRR008	367039	7282920	1.3	378.8	36.8	1.8	34224	11.9	25.6	3157.2	7.7	20.2	151.5	<0.1	6.3	0.7	0.9	15.1
22LRR009	374527	7282914	16.2	2357.8	12.4	23.5	49266.2	14.8	31.9	18614.4	328.8	39.7	904.6	<0.1	34.7	116.6	142.4	19.8

Note: Li₂O is derived by multiplying Li by 2.1527 and Ta₂O₅ is derived by multiplying Ta by 1.2211

About the Lyons River Project

Lyons River Project is located approximately 1,100km north of Perth and approximately 220km to the north-east of the coastal town of Carnarvon, Western Australia (Figure 5). It 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 an emerging lithium and rare earth element hotspot.

The Project comprises approximately 740km² of the Durlacher Super Suite and Halfway Gneiss, transected by major NW-trending shear zones. This same stratigraphy and comparable structural setting hosts significant REE deposits nearby to the north, at the Hastings Technology Metals Yangibana and Dreadnought Resources Mangaroon projects, and to the south at Kingfisher Mining's Mick Well Project (Figure 5).

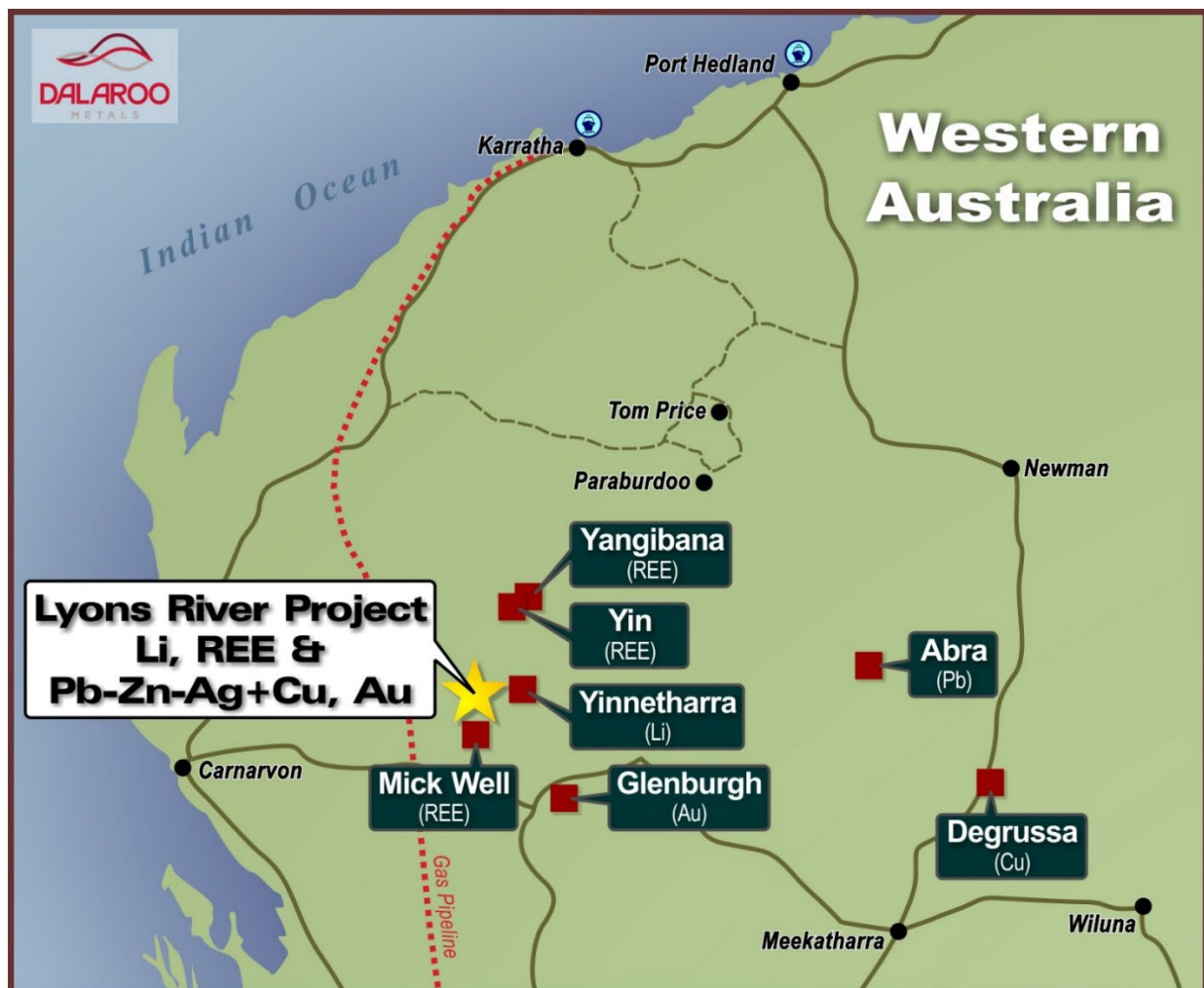


Figure 5: Lyons River Project location diagram

Appendix 1: Dalaroo Metals Ltd – Lyons River 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	<p><i>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.</i></p> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>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.</i></p>	<p>Soil.</p> <p>Soil samples are generally homogenised by the collection process. Entire sample was submitted for sample prep and assay.</p> <p>For soil sampling, at the selected sample site, a small hole is dug to a depth of approximately 20 cm. The soil material at the base of the hole was sieved, and approximately 2kg of –2mm soil material was collected into a numbered calico bag.</p> <p>Soil sampling results are a first pass exploration technique that can assist in vectoring toward mineralisation.</p>
Drilling techniques	<p><i>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.).</i></p>	<p>No drilling results reported.</p>
Drill sample recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>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.</i></p>	<p>No drilling results reported.</p> <p>No drilling results reported.</p> <p>No drilling results reported.</p>

Criteria	JORC Code explanation	Commentary
Logging	<p><i>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.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	<p>Sample type and landform/regolith settings were recorded, and geo-tagged photos of samples and settings taken.</p> <p>No drilling results reported.</p>
Subsampling techniques and sample preparation	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all subsampling stages to maximise representivity of samples.</i></p> <p><i>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.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<p>Soil samples were sieved to collect the -2 mm fraction.</p> <p>Representative rock samples were collected.</p> <p>All samples were dry.</p> <p>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.</p> <p>There was no sub-sampling.</p> <p>Soil sampling completed on a regular grid line spacings to ensure representative sampling of area being assessed.</p>
Quality of assay data and laboratory tests	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>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.</i></p> <p><i>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.</i></p>	<p>Soil and rock samples have been submitted to Bureau Veritas Laboratories for analysis by 4-Acid Digest - 0.2g</p> <p>Samples analysis and determined by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry and Inductively Coupled Plasma (ICP) Mass Spectrometry.</p>

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>	<p>Anomalous geochemical thresholds were determined by a senior geologist and consultant.</p> <p>None drilled.</p> <p>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.</p> <p>None required</p>
Location of data points	<p><i>Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>	<p>All samples collected are located using a handheld GPS.</p> <p>Grid system used for geochemical sampling is GDA94 Zone 50</p> <p>For geochemical sampling nominal RLs based on regional topographic data sets and handheld GPS.</p>
Data spacing and distribution	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>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.</i></p> <p><i>Whether sample compositing has been applied.</i></p>	<p>Soil sampling on 1000m and 500m X 100m spacing based on geology/structural framework.</p> <p>MRE not being reported.</p>
Orientation of data in relation to geological structure	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>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.</i></p>	<p>Soil sample lines were orientated approximately perpendicular to the geological strike and strike of the interpreted major structures. Given the topography and early stage of exploration, the sampling orientation is not considered to introduce a bias to the interpretation of the data.</p> <p>No drilling results reported.</p>

Criteria	JORC Code explanation	Commentary
Sample security	<i>The measures taken to ensure sample security.</i>	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	<i>The results of any audits or reviews of sampling techniques and data.</i>	As part of the interpretation of the data the Company's geologist and consultants 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	<p><i>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.</i></p> <p><i>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.</i></p>	<p>The Lyons River Project tenements are wholly owned by Dalaroo Metals Limited ("Dalaroo")</p> <p>The Project is located 220km north-east of Carnarvon on Eudamullah, Lyons River and Bidgemia Pastoral Stations.</p> <p>The Competent Person is unaware of any impediments to development of these tenements.</p>
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>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.</p> <p>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.</p>

Criteria	JORC Code explanation	Commentary
Geology	<i>Deposit type, geological setting, and style of mineralisation.</i>	The tenements are located in the Mutherbukin zone of the Gascoyne Province. The majority of the tenement area is interpreted to be dominated by a sequence undifferentiated schists, gneiss and granites of the Durlacher Suite (Davey Well Granite) and Thirty Three Supersuite granitic pegmatites
Drillhole information	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:</i></p> <ul style="list-style-type: none"> • <i>easting and northing of the drillhole collar</i> • <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</i> • <i>dip and azimuth of the hole</i> • <i>down hole length and interception depth</i> • <i>hole length.</i> <p><i>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.</i></p>	<p>No drillholes are reported.</p> <p>The plan provided in the body of the report identifies the location of the geochemical sampling sites.</p>
Data aggregation methods	<p><i>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.</i></p> <p><i>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.</i></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</i></p> <p><i>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').</i></p>	No mineralisation widths have been reported.

Criteria	JORC Code explanation	Commentary
Diagrams	<i>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.</i>	Appropriate maps displaying all the data points and anomalous values are provided in the body of the report.
Balanced reporting	<i>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.</i>	The reporting of exploration results is considered balanced by the competent person.
Other substantive exploration data	<i>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.</i>	No other exploration to report.
Further work	<i>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.</i>	Appropriate plans for further work are provided in the body of the report.