# Successful completion of maiden RC drill program at Lyons River Project in Western Australia

## Highlights

- **Eight RC holes completed totalling 1,989 metres testing lead-zinc BHT/SEDEX and copper targets.**
- **Multi-element analytical results from the RC drilling program expected during the March quarter 2022.**

Dalaroo Metals Ltd (**ASX: DAL** or "Company") is pleased to provide an update on exploration activities at Lyons River Project in Western Australia where its program of RC drilling has been successfully completed at the Four Corners prospect (Figure 1 and 2). Lyons River comprises a strategic (100% owned) land position of 703 $km^2$ within the Proterozoic Mutherbukin Zone of the Gascoyne Province. The Company believes the district is an emerging Broken Hill Type ("BHT") / Sedimentary Exhalative ("SEDEX") deposit setting.

A total of eight RC drill holes for 1,989 metres holes ranging in depth from 219 to 287 metres have been completed (Figure 1). The RC drill program at the Four Corners prospect was designed to test several base metal targets and obtain greater understanding of the metamorphosed stratabound sequence of pyritic psammitic and pelitic rocks and corresponding anomalous Pb-Zn geochemistry.

Multi-element assay results for 4m composite samples are expected to available in the March quarter 2022.

The Four Corners prospect is one of six regional Pb-Zn soil geochemical prospects identified at Lyons River within a Proterozoic basin setting covering an area of 30 km by 10 km (Figure 2).

### Next Steps

Exploration activities planned for the Lyons River Project include:

1. An assessment of gravity survey data for the Four Corners and Browns prospect and integration with the IP, magnetics and geochemistry is well underway. Targets generated will be drill tested early in June quarter 2022 following passing of the cyclone season.

2. A specialist geophysical contractor engaged to conduct surface IP and radial/downhole IP survey has now pushed back to the March quarter 2022 due to unprecedented demand for their services. The IP anomaly NE and SE zones remain open to the east, IP survey lines will be extended further to the east to determine the eventual size of the currently defined 2.5km strike length anomaly.

3. Heritage surveys are being planned for the drill testing of the Browns prospect and other regional prospects/targets.

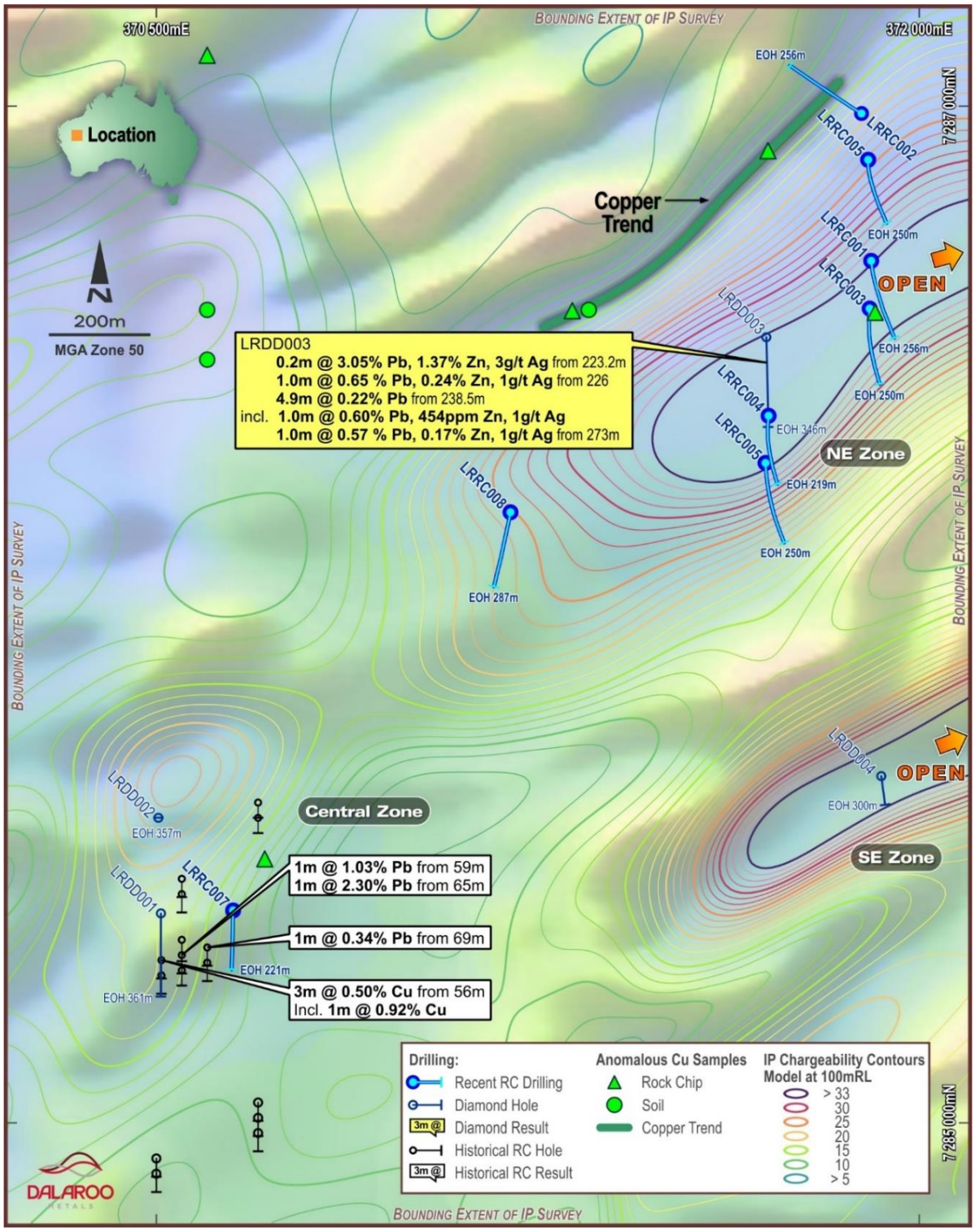


**Figure 1:** Lyons River Project, drill hole location map with historical holes and completed drill program RC holes.

*ASX announcement dated 16 November 2021 titled “Maiden RC drilling commences at Lyons River” and the Prospectus dated 16 August 2021.

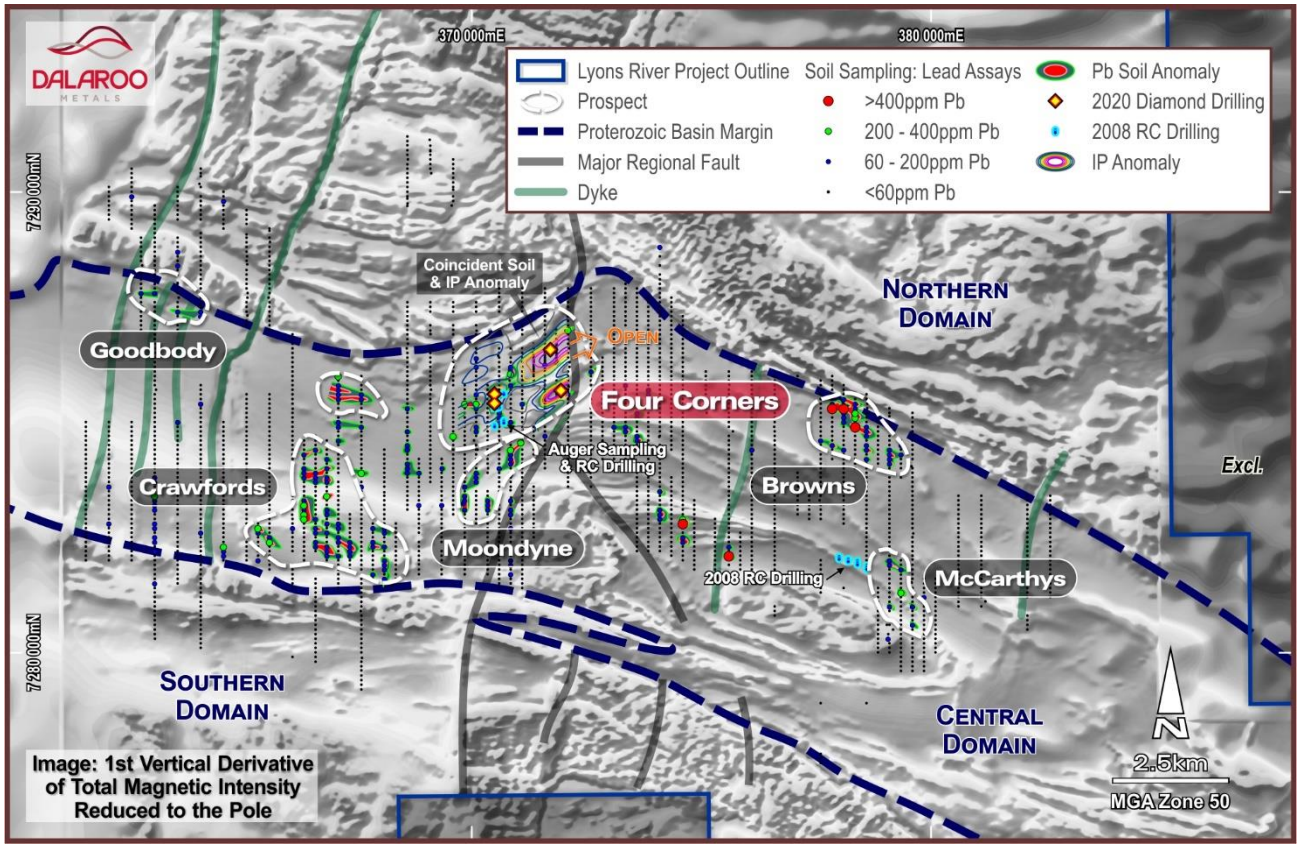


**Figure 2:** Lyons River, Four Corners prospect and new five Pb-Zn soil geochemical prospects /targets

**Table 1:** Four Corners RC drill locations

| Drillhole | IP anomaly | MGAE | MGAN | Nominal RL | Dip (°) | Azimuth (mag) | Depth (m) | Tenement |
|---|---|---|---|---|---|---|---|---|
| LRRC001 | Extension to LRRD003 | 371905 | 7286696 | 280 | -60 | 174° | 256 | E09/2098 |
| LRRC002 | Copper target | 371886 | 7286986 | 280 | -52 | 302° | 256 | E09/2098 |
| LRRC003 | Extension to LRRD003 | 371902 | 7286602 | 280 | -60 | 186° | 250 | E09/2098 |
| LRRC004 | Extension to LRRD003 | 371703 | 7286391 | 280 | -59 | 185° | 219 | E09/2098 |
| LRRC005 | Extension to LRRD003 | 371697 | 7286298 | 280 | -60 | 178° | 250 | E09/2098 |
| LRRC006 | Extension to LRRD003 | 371899 | 7286895 | 280 | -59 | 184° | 250 | E09/2098 |
| LRRC007 | Central Zone | 370649 | 7285417 | 280 | -60 | 182° | 221 | E09/1825 |
| LRRC008 | Inferred east dipping basin transverse fault | 371195 | 7286201 | 280 | -69 | 190° | 287 | E09/2098 |

*ENDS*

**For more Information:**

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

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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.

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

## 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 3).

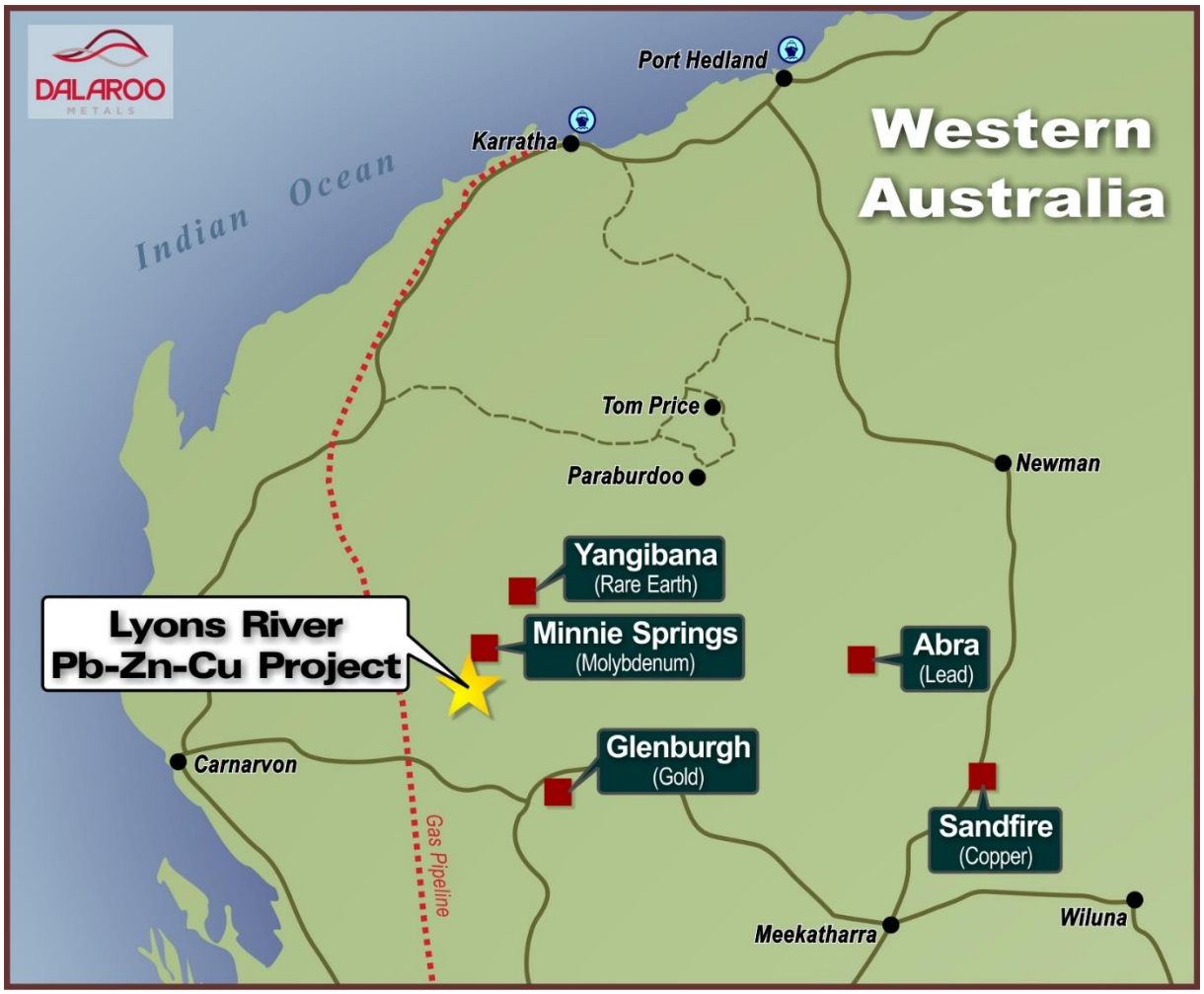


**Figure 3:** Lyons River Project location diagram

## Appendix 1: Dalaroo Metals Ltd – Reverse Circulation (RC) Drilling Programme Lyons River Project – Four Corners 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.*<br>*Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>*Aspects of the determination of mineralisation that are Material to the Public Report.*<br>*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.* | Sampling was completed using Reverse Circulation (RC). RC drill samples were collected at 1m intervals in a cyclone at the side of the drilling rig and a sub-sample collected via a cone splitter. A split portion weighing 2-3kg was collected in numbered sample bags. The remaining portion was laid out on the ground in plastic bags for logging. Occasional wet samples were split, but were collected in plastic bags then spear sampled.<br>Four metre composite samples were taken from 1m interval plastic bags using a spear, and collected in numbered sample bags<br>All sampling by conventional base metal industry drilling methods. Duplicate samples collected to test sample representivity. |
| 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.).* | RC drilling used a face sampling bit<br>Strike Drilling completed the drilling. |
| Drill sample recovery | *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>*Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>*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.* | Minor wet intervals occur and can affect RC sample recovery. Chip sample recovery logged.<br>Sample recovery generally excellent in weathered and fresh rocks. Drilling has utilised RC rig of sufficient size and air capacity to maximisé recovery and provide dry chip samples.<br>No indication of sample bias is evident or has been established |

| 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.*<br>*Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*<br>*The total length and percentage of the relevant intersections logged.* | Geological logging of all drillholes included; lithology, grainsize, texture, deformation, mineralisation, alteration, veining, colour, weathering.<br>Chip-trays of samples collected. Drillhole logging of RC chips is qualitative on visual recordings of rock forming minerals & estimates of mineral abundance.<br>All drillholes were logged in their entirety. |
| Subsampling techniques and sample preparation | *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>*If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>*For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>*Quality control procedures adopted for all subsampling stages to maximise representivity of samples.*<br>*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.*<br>*Whether sample sizes are appropriate to the grain size of the material being sampled.* | RC holes sub-sampled by rig mounted cone splitter and spear.<br>Sub-sample methods appear appropriate for deposit and sample type using accepted industry practices.<br>RC samples have field duplicate samples taken at regular intervals and compared.<br>Samples sub-sampled using accepted splitting techniques and have been delivered to laboratory for total preparation by crushing and pulverisation, before being sub-sampled for analysis<br>Sample sizes are generally appropriate for grain size and materials 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.*<br>*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.*<br>*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.* | Samples to be analysed for Al, Ca, Cr, Cu, Fe, K, Mg, Mn, Na, P, S, Ti have been determined by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry. Ag, As ,Ba, Li, Mo, Pb, W and Zn have been determined by Inductively Coupled Plasma (ICP) Mass Spectrometry<br>All samples to be analysed by Bureau Veritas Laboratory<br>QAQC measures including certified reference standards and field duplicates samples and umpire laboratory check samples to be carried out have shown acceptable levels of accuracy and precision. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| Verification of sampling and assaying | *The verification of significant intersections by either independent or alternative company personnel.*<br>*The use of twinned holes.*<br>*Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>*Discuss any adjustment to assay data.* | Data was captured using Microsoft excel. |
| 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.*<br>*Specification of the grid system used.*<br>*Quality and adequacy of topographic control.* | All drillhole collars are surveyed with a handheld GPS unit with an accuracy of ±5m which is considered sufficiently accurate for the purpose of the drillhole. • All co-ordinates are expressed in GDA94 datum, Zone 51. • Regional topographic control has an accuracy of ±2m based on detailed DTM data. |
| Data spacing and distribution | *Data spacing for reporting of Exploration Results.*<br>*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.*<br>*Whether sample compositing has been applied.* | RC drillhole spacing is not regular or grid based, with the location of individual drillholes governed by targeting the position of coincident modelled Induced Polarisation contours, soil geochem and historical RC and diamond drilling<br><br>The Competent Person considers that the paucity of drilling at Lyons River is insufficient to establish grade continuity but is indicative of mineralisation appropriate to an early-stage exploration project. |
| 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.*<br>*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 Competent Person has reported downhole intersections without reference to interpreted mineralisation orientation. This is appropriate for an early-stage exploration program where the orientation of mineralisation is preliminary, and it is inappropriate to geometrically correct intersections. |
| Sample security | *The measures taken to ensure sample security.* | Individual calico sample bags from the RC drilling were placed in polyweave bags and hand delivered directly to the assay laboratory in Perth by company personnel. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| Audits or reviews | *The results of any audits or reviews of sampling techniques and data.* | None of the drilling has been subject to audit. The Competent Person does not consider this to be material for early-stage exploration projects. |

**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.*<br>*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")<br>The Project is located 220km north-east of Carnarvon on Eudamullah Pastoral Station.<br>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.* | Exploration of Lyons River has previously been undertaken by other parties including BHP, Altera and Serena and the Competent Person has referenced the parties involved and the results of this work throughout the text. |
| 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:*<br>• *easting and northing of the drillhole collar*<br>• *elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar*<br>• *dip and azimuth of the hole*<br>• *down hole length and interception depth*<br>• *hole length.*<br>*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.* | Refer to table of drillhole collars in body of report |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| 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.*<br>*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.*<br>*The assumptions used for any reporting of metal equivalent values should be clearly stated.* | In all cases, Exploration Results have been reported in accordance with Clause 19 of the JORC Code. Data has been reported as arithmetic averages, weighted by downhole drill intersection for identified zones of mineralisation.<br>No metal equivalent values have been reported. |
| Relationship between mineralisation widths and intercept lengths | *These relationships are particularly important in the reporting of Exploration Results.*<br>*If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.*<br>*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').* | All drillhole intercepts/intervals are measured downhole in metres. |
| 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 not reported here. |
| 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 |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| 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).*<br>*Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | Full geological, geophysical and geochemical integration of data • Drill testing (air core and/or RC percussion and/or diamond drilling) will be undertaken on priority targets identified.<br><br>These diagrams are included in the main body of this report |