

Multiple gold bearing quartz veins discovered at Dalaroo's Goodbody prospect

Highlights

- Multiple discrete Au-bearing quartz vein zones discovered over 1.5km long trend
- Gold grades of up to 5.52g/t returned
- Key rock chip sample assay results include:
 - 5.52g/t Au – sample # LR230103_3
 - 1.42g/t Au – sample # LR230103_10
 - 0.99g/t Au – sample # LR230103_1
- The new Au bearing quartz vein zones discovered:
 - correlate with previously defined Au-in-soils anomalies; and
 - are open in all directions.

Dalaroo Metals Ltd (ASX: DAL or "Company") is pleased to announce the discovery of new gold mineralization in outcropping quartz veins at the Goodbody prospect (Figure 1). Mineralized quartz veins have been located at the Goodbody West and Goodbody Central target areas proximal to previously reported Au-anomalous soil samples of 54 ppb Au and 93 ppb Au, respectively. The extent of auriferous veins in the Goodbody West area are confirmed over a strike length of 200m, remaining open in all directions. Similarly at Goodbody Central, the extent of Au anomalous rock chip sampled veins span 140m strike and remain open. The combined footprint of mineralized rock chips from these two target areas is approximately 1.5km within the broader Goodbody prospect defined over a strike length of 3km.

Dalaroo's Managing Director, Harjinder Kehal, commented: "The results of this very early-stage ground truthing have not only verified historic reports of gold mineralization at the Goodbody prospect, but also extended it from the Goodbody West to Goodbody Central target zone 1.5km east. Furthermore, we are encouraged by the success of our geochemical exploration methodologies in locating in-situ bedrock gold mineralization in the Lyons River Project."

Technical Commentary

The sampled quartz veins are typically 5-30cm thick and are comprised of mainly quartz with minor biotite and, locally, ferruginous oxide phases. They form sub-parallel to the pervasive structural fabric within foliation planes and commonly contain internal breccia zones consisting of Fe-oxide- and silica-rich matrices surrounding fragmented quartz vein clasts. The samples were composed of entirely vein material, the adjacent wall rocks, or a combination of both.

At the Goodbody West target, gold concentrations of up to 1.42g/t and 5.52g/t (samples 230103_10 and 230103_3; Figure 1) have been returned from a particular set of quartz veins hosted within a metasedimentary rock package of pelitic schists and siliceous cherts, iron stones and BIF-style units. Historic rock chip sampling of quartz veins in this area returned up to 6.25g/t Au. In the Goodbody Central target area, pelitic schists are the dominant host rocks but zones of iron-oxide rich siliceous vein breccias and quartz-biotite altered wall rocks are also prevalent (e.g. sample 230105_23, 0.48g/t Au). At this locality, muscovite and tourmaline bearing quartz veins have also been found to be mineralized (e.g. sample 230105_4, 0.16g/t Au).

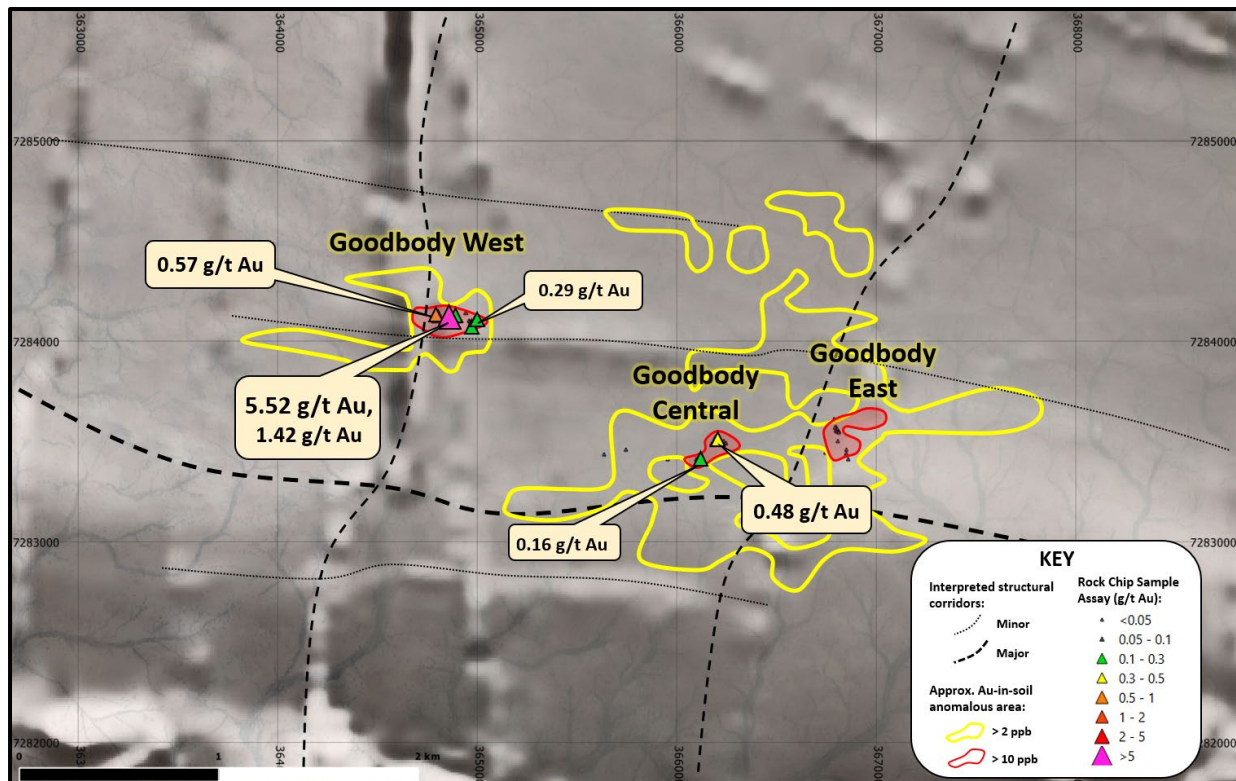


Figure 1. Location of recent rock chip samples (triangles) within the Goodbody gold prospect area. The Goodbody West to Goodbody Central mineralized quartz vein zones are hosted within a 1.5 km stretch within the broader 3km long Goodbody Au soil anomaly. Overlaid on greyscale Total Magnetic Intensity (TMI)1VD basemap and satellite imagery.

It is noted that high-strength soil anomalies and multiple rock chip assays of up to 5.52g/t Au associated with the Goodbody West, Central and East targets spatially coincide with the location of intersections between interpreted WNW-striking structures and NNE-trending structures (Figure 1, Figure 3). Conceptually, structural intersection zones represent potentially intensified deformation areas that may be associated with favourable sites of hydrothermal fluid movement and gold mineralization. As such, the Goodbody gold targets are considered high priority for follow-up exploration work.



Figure 2: Photographs of mineralized rock samples containing combined quartz vein and silicified and iron oxide-rich vein wall rock material . *Above:* Sample 230103_3 grading 5.52g/t Au. *Below:* Sample 230103_10 grading 1.42g/t Au.

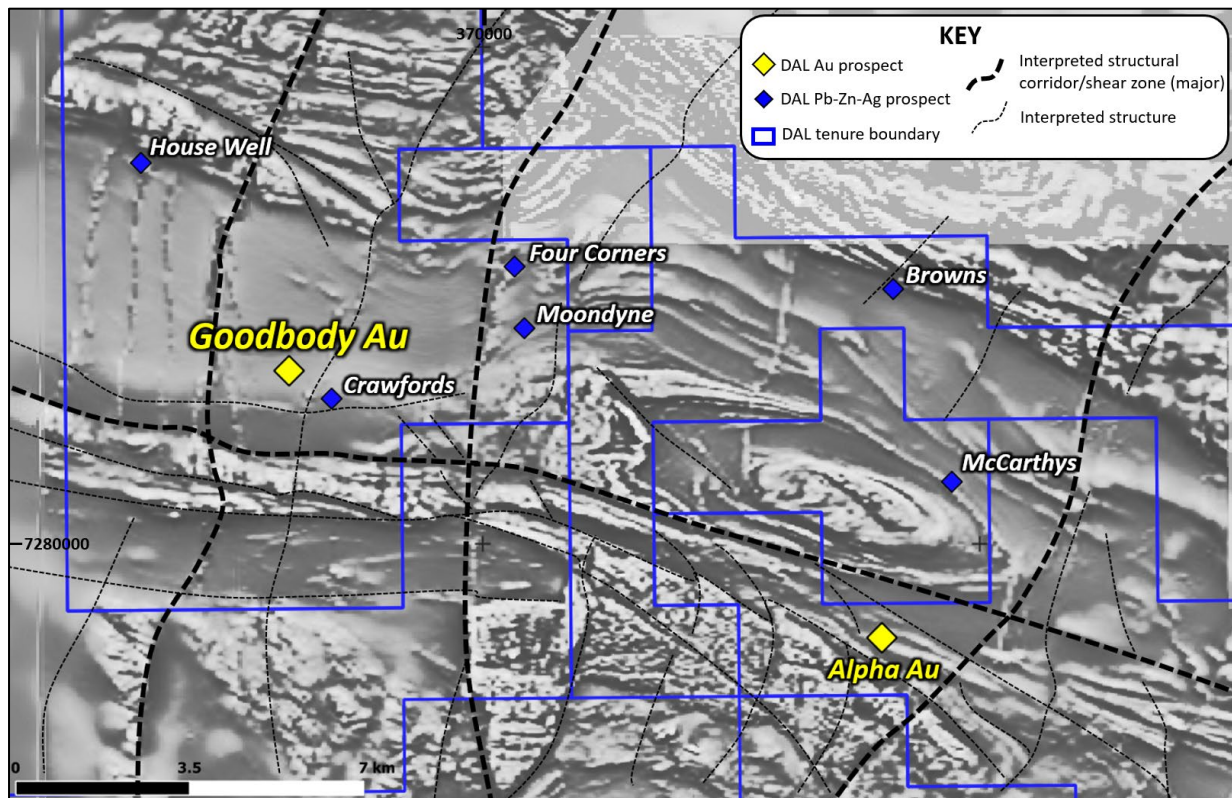


Figure 3: Location of Goodbody prospect in relation to additional gold and base metal prospects and interpreted regional structures within Dalaroo Metals' Lyons River Project area. Overlaid on greyscale Total Magnetic Intensity (TMI) 1VD base map.

Next Steps at Goodbody

This sampling campaign was carried out over three field days, representing just a first pass geological reconnaissance trip guided by the recent Au-in-soil anomalism at Goodbody (ASX: DAL – Refer ASX: Announcement from 28 November 2022). Significantly, these results have confirmed the successful application of Dalaroo's soil sampling in highlighting the locations of in situ gold mineralization at the Lyons River Project.

Therefore, upon commencement of the 2023 field season in April 2023, the Company intends to extend targeted rock chip sampling to the full 3km length of the Goodbody Au soil anomaly zone, in addition to completing step-out sampling of the newly identified mineralized vein systems at the Goodbody West and Central targets.

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For more Information:

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

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

Table 1: Rock chip sample locations and gold assay results

Sample ID	Easting	Northing	Au ppb	Au ppb (Repeat)	Sample ID	Easting	Northing	Au ppb	Au ppb (Repeat)
LR230103_3	364860	7284119	5520	5370	LR230103_9	364860	7284119	16	
LR230103_10	364860	7284120	1420	1400	LR230105_13	366247	7283496	16	
LR230103_1	364860	7284121	989	780	LR230105_14	366247	7283496	16	
LR230103_12	364867	7284116	598	635	LR230105_18	366200	7283500	14	
LR230103_43	364804	7284126	573	550	LR230103_6	364860	7284119	12	
LR230103_8	364860	7284119	482	560	LR230105_5	366114	7283421	12	14
LR230105_23	366192	7283502	468	483	LR230106_1	366800	7283554	12	
LR230103_5	364860	7284115	321		LR230103_15	364914	7284105	11	
LR230103_41	364997	7284111	287		LR230103_39	364986	7284120	11	
LR230103_31	364976	7284066	251	230	LR230105_16	366200	7283500	11	
LR230103_20	364865	7284107	222		LR230106_3	366813	7283551	11	
LR230105_11	366210	7283507	167		LR230103_21	364865	7284110	10	
LR230105_4	366120	7283409	155		LR230106_8	366803	7283564	10	
LR230103_28	364886	7284134	139		LR230103_14	364914	7284105	9	
LR230103_19	364859	7284108	105		LR230105_8	366125	7283433	9	
LR230103_17	364940	7284145	82		LR230103_22	364865	7284110	7	6
LR230105_21	366200	7283500	79		LR230103_32	364978	7284066	7	
LR230103_27	364877	7284110	73	76	LR230105_22	366200	7283500	7	
LR230103_33	364963	7284077	59		LR230103_37	364963	7284101	6	
LR230103_29	364879	7284134	48		LR230105_12	366235	7283505	6	
LR230103_34	364963	7284090	48		LR230105_3	366100	7283413	6	
LR230103_30	364887	7284121	46		LR230103_23	364865	7284110	5	
LR230103_2	364860	7284119	43		LR230105_10	366214	7283516	5	
LR230103_7	364860	7284119	40		LR230105_7	366107	7283418	5	
LR230105_15	366247	7283496	38		LR230106_18	366747	7283445	5	
LR230103_4	364860	7284119	29		LR230106_20	376240	7275400	5	
LR230106_13	366850	7283460	29		LR230106_6	366811	7283547	5	
LR230106_16	366847	7283433	29		LR230106_5	366813	7283551	4	
LR230103_26	364877	7284110	28		LR230106_4	366813	7283551	3	
LR230103_42	365000	7284102	28		LR230106_7	366803	7283564	3	
LR230105_9	366174	7283489	28		LR230103_36	364957	7284106	2	
LR230103_35	364957	7284106	26		LR230103_38	364984	7284106	2	
LR230106_10	366797	7283577	26		LR230106_12	366806	7283502	2	
LR230105_19	366200	7283500	25		LR230106_17	366850	7283442	2	
LR230103_40	364990	7284112	23		LR230106_23	376242	7275401	2	
LR230103_11	364860	7284123	22		LR230105_2	365745	7283460	1	
LR230105_17	366200	7283500	21		LR230106_15	366862	7283414	1	2
LR230105_6	366114	7283421	21		LR230104_1	365560	7281130	<1	
LR230106_19	365953	7283411	21		LR230105_1	365638	7283437	<1	
LR230103_13	364867	7284116	19		LR230106_11	366787	7283615	<1	
LR230103_18	364855	7284109	19		LR230106_2	366803	7283553	<1	
LR230103_24	364872	7284111	17		LR230106_21	376240	7275400	<1	
LR230103_16	364914	7284105	16		LR230106_22	376240	7275400	<1	
LR230103_25	364877	7284110	16		LR230106_9	366795	7283570	<1	

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.

About the Lyons River Project

Lyons River is located approximately 1,100km north of Perth and approximately 220km 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 4).

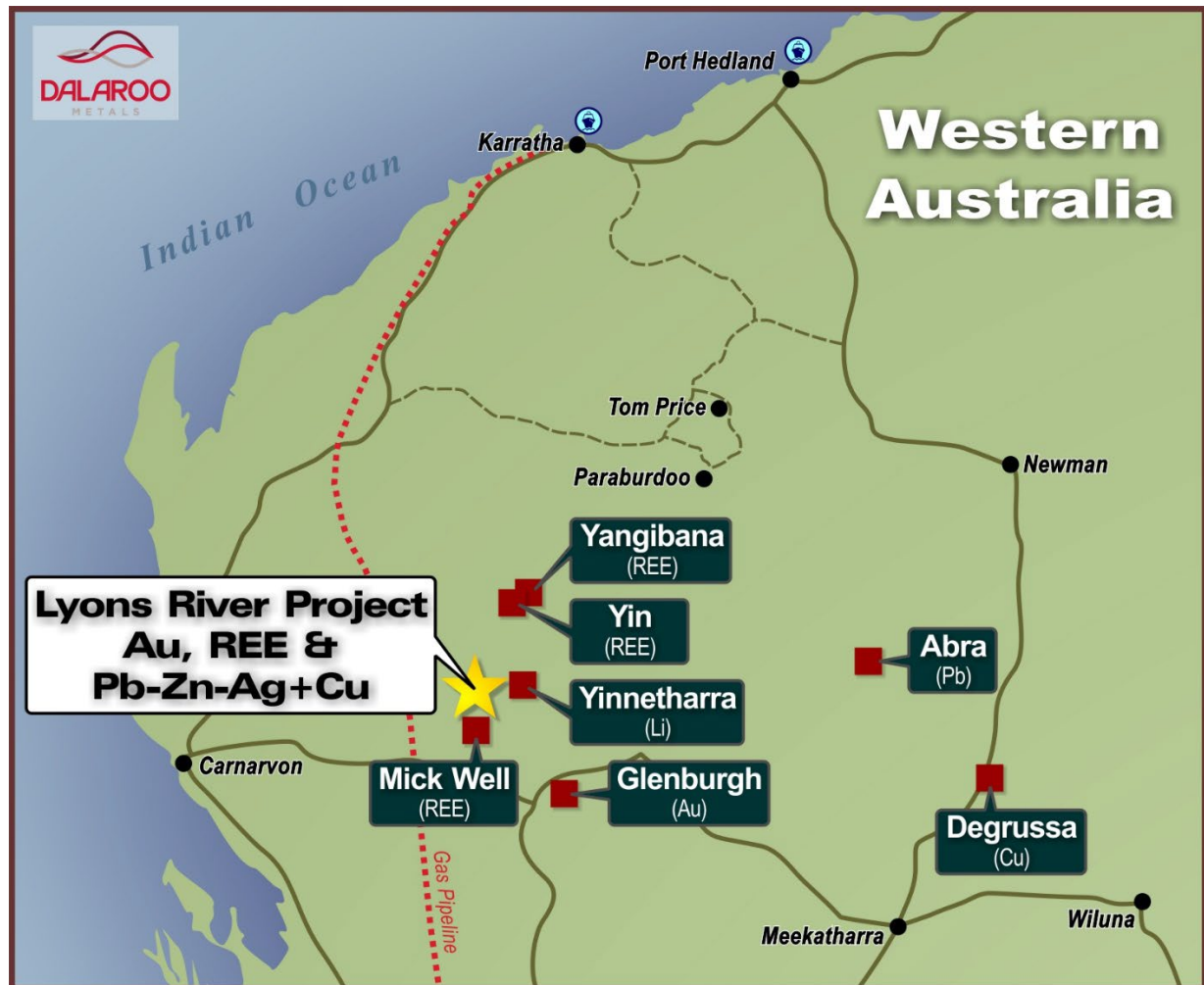


Figure 4: Lyons River Project location diagram

(Criteria in this section apply to all succeeding sections)

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Criteria	JORC Code explanation	Commentary
Logging	<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> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i>	Sample type and landform/regolith settings were recorded, and geo-tagged photos of samples and settings taken. No drilling results reported.
Subsampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all subsampling stages to maximise representivity of samples.</i> <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> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	No sub-sampling has been undertaken. 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 There was no sub-sampling Entire sample submitted for assay and sample size is considered appropriate for the material being sampled.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <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> <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>	Rock chip samples have been submitted to Bureau Veritas Laboratories for Au fire assay analysis Au has been determined by Inductively Coupled Plasma (ICP) Mass Spectrometry.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i>	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	<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> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i>	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	<i>Data spacing for reporting of Exploration Results.</i> <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> <i>Whether sample compositing has been applied.</i>	Rock chip sampling spacing based on geology/structural framework. MRE not being reported.
Orientation of data in relation to geological structure	<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> <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>	Sampling was of a reconnaissance nature only and was not designed to achieve unbiased sampling. No drilling results reported.

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 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	<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> <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>	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.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	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	<i>Deposit type, geological setting, and style of mineralisation.</i>	The mineralisation style being sought is quartz vein and shear hosted gold deposits.
Drillhole information	<i>A summary of all information material to the understanding of the exploration results</i>	No drillholes are reported.

Criteria	JORC Code explanation	Commentary
	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.	The plan provided in the body of the report identifies the location of the rock chip 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.
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

Criteria	JORC Code explanation	Commentary
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>	Assay results presented are balanced.
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>	Detailed high quality aeromagnetic, IP, gravity datasets and soil geochemistry
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.