



**DALAROO METALS LTD**  
**ABN 23 648 476 699**

**INTERIM FINANCIAL REPORT**  
**For the Half -Year Ended 31 December 2024**

**DALAROO METALS LTD**  
**ABN 23 648 476 699**

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**DALAROO METALS LTD**  
**ABN 23 648 476 699**

**CORPORATE DIRECTORY**

Directors	David Quinlivan – Non Executive Chairman Joshua Gordon – Non Executive Director (appointed 28 June 2024) Bilal Ahmad – Non Executive Director (appointed 28 June 2024) Harjinder Kehal – Managing Director (resigned 21 October 2024) Michael Brown – Managing Director (appointed 21 October 2024)
Company secretary	John Arbuckle
Registered office	Level 50, 180 St Georges Terrace Perth WA 6000
Principal place of business	Level 50, 180 St Georges Terrace Perth WA 6000
Share register	Automic Pty Ltd Level 5, 126 Phillip Street Sydney NSW 2000
Auditor	Hall Chadwick 283 Rokeby Road Subiaco, WA 6008
Solicitors	Steinepreis Paganin Level 14, 250 St Georges Terrace Perth WA 6000
Stock Exchange Listing	Dalaroo Metals Ltd is listed on the Australian Securities Exchange. Home exchange: Perth, Western Australia ASX code: DAL
Website	<a href="http://www.dalaroometals.com.au">www.dalaroometals.com.au</a>

**Company Information**

The Company was incorporated and registered under the Corporations Act 2001 in Western Australia.

The Company is domiciled in Australia.

**DALAROO METALS LTD**  
**ABN 23 648 476 699**

**DIRECTORS' REPORT**

The Directors present their interim report of Dalaroo Metals Ltd (**Dalaroo** or **the Company**) for the half-year ended 31 December 2024.

**DIRECTORS**

The following persons were Directors of Dalaroo during the whole of the period and up to the date of this report, (unless otherwise stated):

David Quinlivan - Non-Executive Chairman

Harjinder Kehal - Managing Director (resigned 21 October 2024)

Michael Brown – Managing Director (appointed 21 October 2024)

Joshua Gordon - Non-Executive Director (appointed 28 June 2024)

Bilal Ahmad – Non-Executive Director (appointed 28 June 2024)

**COMPANY SECRETARY**

John Arbuckle

**PRINCIPAL ACTIVITIES**

The principal activity of the Company during the financial period was mineral exploration for resources at the Company's Namban and Lyons River projects located in Western Australia which are prospective for Pb-Zn-Cu-Ag, Au, REE and PGE-Ni-Cu-Au deposits respectively. The Company also commenced reviewing projects, which it may seek to apply for, acquire or earn into, which the Board considers are complementary to Dalaroo's existing Namban and Lyons River projects and have the potential to create further value for shareholders.

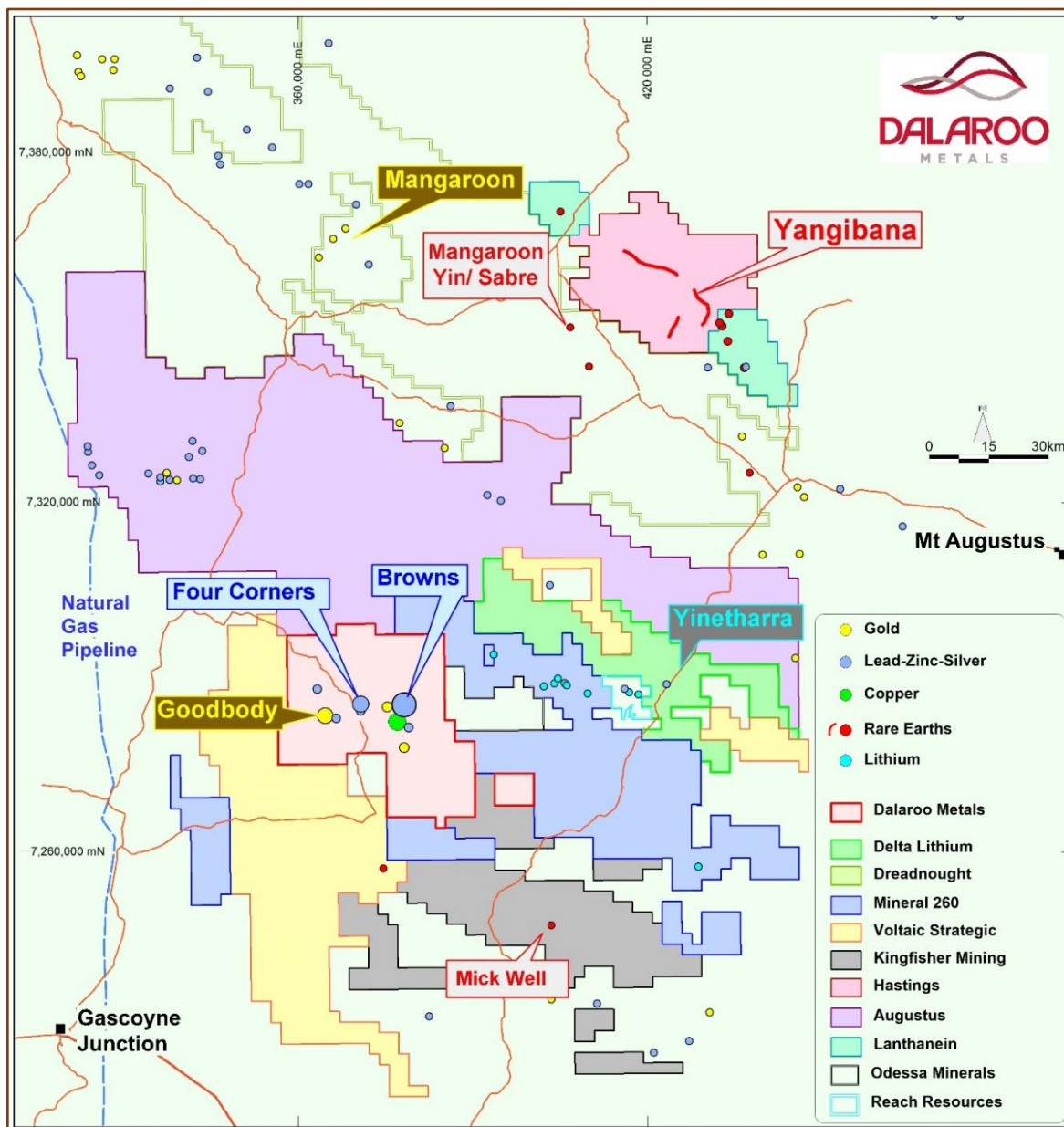
**REVIEW OF OPERATIONS**

**Lyons River Project**

Dalaroo's Lyons River Project comprises a strategic (100% owned) land position of 838km<sup>2</sup> within the Proterozoic Mutherbukin Zone of the Gascoyne Province, Western Australia. Lyons River is prospective for, BHT type mineralised base metals (Pb-Zn-Ag-Cu), vein/shear related gold, REE and lithium deposits (Figure 1). The Gascoyne Province is a deformed and high-grade metamorphic core zone of the early Proterozoic Capricorn Orogen.

**Base Metals Exploration**

Dalaroo completed a diamond drilling program at its Browns Prospect, within the Lyons River Project. Drilling intersected a Broken Hill Type mineralised sequence with encouraging assay results of up to 1.1% Zn. Four deep diamond core holes totaling 994.4m have tested a prospective Pb-Zn-Ag base metal target covering an area of 6km<sup>2</sup> (3km x 2km). The Company believes the district is an emerging Broken Hill Type (BHT) / Sedimentary Exhalative ("SEDEX") deposit setting. The Browns Prospect is one of six Pb-Zn soil geochemical prospects identified at Lyons River within the Proterozoic Age basin setting covering an area of 300km<sup>2</sup> (30km by 10km) (Figure 1).



**Figure 1:** Dalaroo Metals, Lyons River Project prospects in the Gascoyne Province showing neighbouring companies and their prospects.

Better base-metal intercepts include:

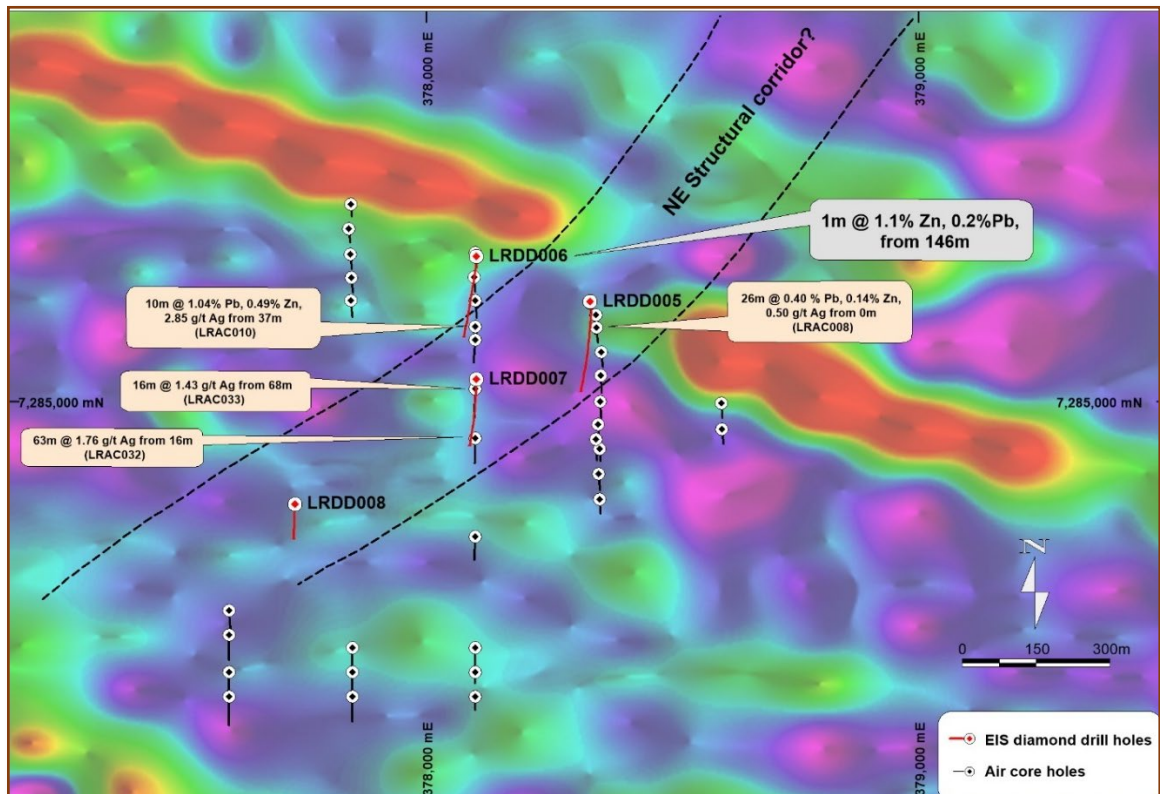
- 1m @ 0.55% Pb and 0.11% Zn from 58m (LRDD005)
- 3m @ 0.33% Pb and 0.12% Zn from 62m (LRDD006)
- 1m @ 0.13% Pb, 0.7% Zn and 2ppm Ag from 81m (LRDD006)
- 1m @ 0.19% Pb and **1.09% Zn** from 146m (LRDD006)
- 5m @ 277ppm Pb and 1324ppm Zn from 127m (LRDD007)

The Browns Prospect 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.

**DIRECTORS' REPORT**

The Browns Prospect comprises a broad Pb-Zn soil (max 1445ppm Pb, 1080 Zn ppm) and rock chip geochemical anomaly covering an area of 3km X 2km, associated with extensive iron-rich and high-grade gossanous material at surface with results of up to 39.6% Pb, up to 0.71% Zn and up to 82g/t Ag (refer DAL ASX Announcement from 15 February 2022). Dalaroo's Aircore (AC) drill programs at Browns testing the geochemical anomalism have been successful in intersecting zones of interbedded psammitic to pelitic lithologies together with zones of disseminated base metal sulphides such as galena and sphalerite. Significant AC drilling Pb-Zn sulphide intercepts have included 10m @ 1.04% Pb, 0.49% Zn, 2.85g/t Ag from 37m (LRAC010) Including 1m @ 3.13% Pb, 0.24% Zn, 5g/t Ag from 38m and 63m @ 1.76g/t Ag from 16m (refer DAL ASX Announcement from 14 February 2023).

Four diamond core holes totalling 994.4m (Figure 2) tested a prospective Pb-Zn-Ag base metal target covering an area of 3km X 2km. The holes ranged in depth from 142.3m to 300m and tested separate zones below the AC drill anomalies and prospective coincident gravity/geochemical targets (Table 1).



**Figure 2:** Lyons River Project – Browns prospect EIS diamond drill hole and AC drill hole plan draped over gravity image.

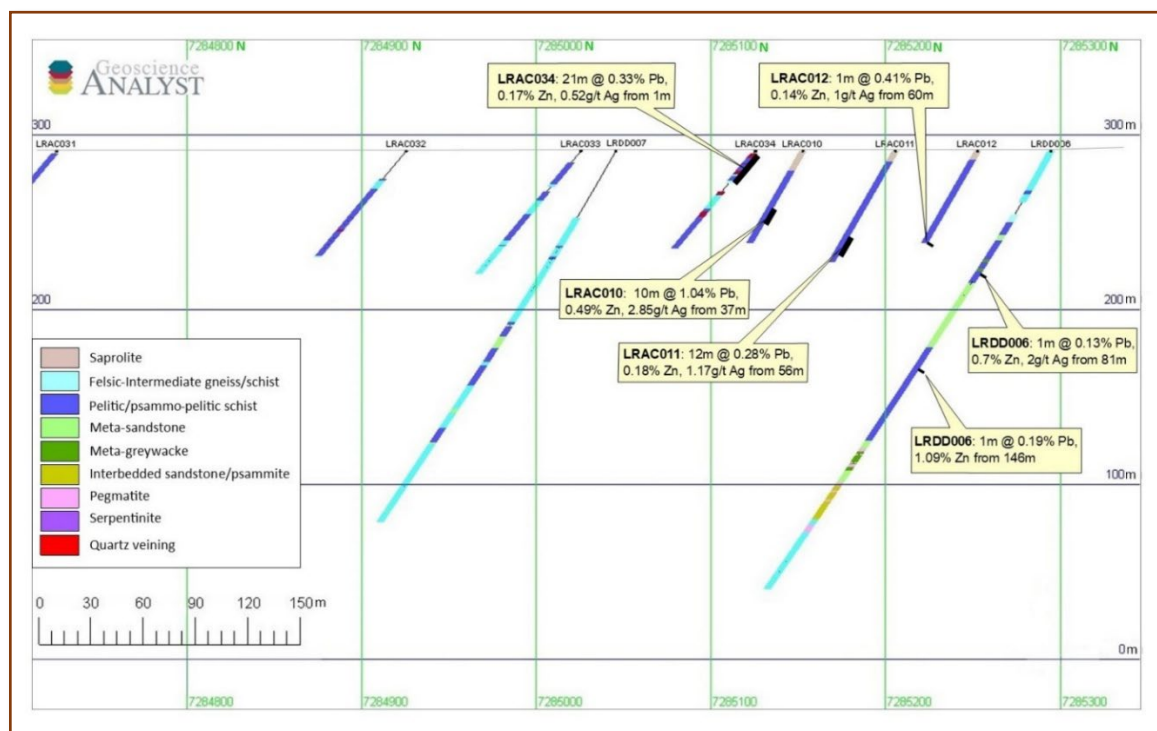
EIS drilling defined an interbedded sequence of garnet-and sillimanite-bearing pelitic to psammo-pelitic schists, intermediate to felsic gneiss, and meta-sandstones, analogous to the host rock sequences at Broken Hill. Akin to Broken Hill the rocks have undergone high-grade metamorphism, to generate the quartz-biotite-feldspar-garnet-muscovite-sillimanite assemblage. The main lithologies identified are shown in Figure 3. The sequence has been intruded by granitic pegmatite and lesser, serpentinised, ultramafic dykes.

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**DIRECTORS' REPORT**

**Table 1:** Browns Prospect EIS diamond drill holes locations.

Drillhole	MGAE	MGAN	Nominal RL	Dip (°)	Azimuth	Depth (m)	Tenement
					(mag)		
LRDD005	378333	7285202	281	-56	180	300	E09/2102
LRDD006	378102	7285294	281	-60	180	300	E09/2102
LRDD007	378102	7285045	283	-60	180	252.1	E09/2102
LRDD008	377733	7284791	286	-60	180	142.3	E09/2102



**Figure 3:** Browns drill section 378100E

Intervals of disseminated, blebby and veinlet pyrite occur throughout the sequence and are typically more abundant with argillaceous, pelitic lithologies (biotite-quartz schist). The thickest sequences of these argillaceous, pelitic to psammo-pelitic rocks occur in the northern part of the prospect and broadly correlate with the main (northern) Pb-Zn-Ag surface anomaly. In addition, several zones of silica-pyrite alteration have been logged throughout the sequence.

**Copper Potential**

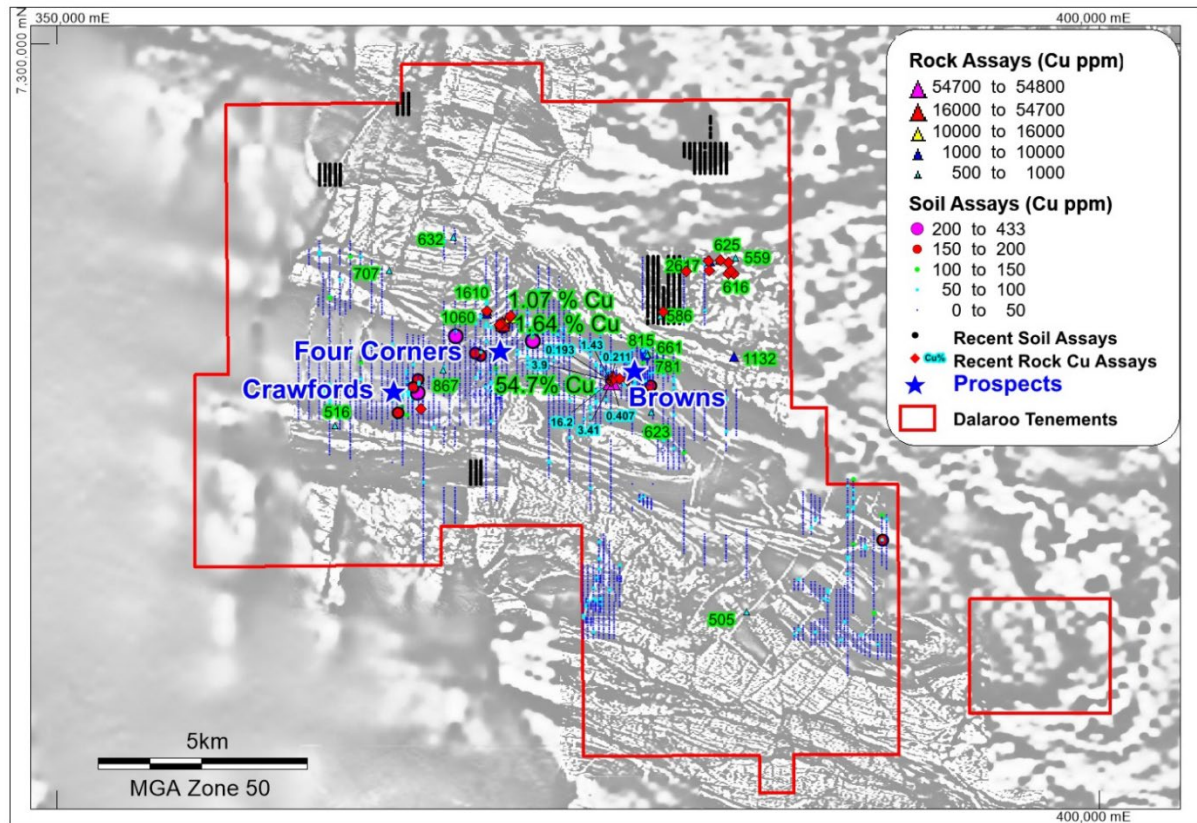
A review of Lyons River Project copper potential has been undertaken using the project wide historical soil geochemical and rock chip samples. High grade copper assay results of 54.8% coupled with silver grades of 80g/t were returned from rock chip sampling program in 2023 associated with malachite rich zone over the south-western part of the Browns prospect (Refer DAL ASX Announcement from 31 October 2023).

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Copper assays of 1.64% accompanied by silver assays of 21.5g/t have previously been recorded from rock chip sampling completed at the Four Corners Prospect located 5km to the west of Browns. In other parts of the Lyons River Project copper values from rock chip samples have returned assays ranging from 505ppm to 2617ppm (0.26%). Historical shallow RC drill program in 2008 by previous explorers at Four Corners had returned an intersection of 3m @ 0.50% Cu including 1m @ 0.92% Cu from 56m, with mineralisation associated chalcopyrite (Refer DAL ASX Announcements from 16 March 2022).

Field reconnaissance of copper anomalous areas was undertaken in the December Quarter 2024 with a total of 32 new samples collected. Multi-element analysis has returned high grade copper with assay results of up to 16.2% Cu (Refer December 2024 Quarterly Activities Report & Appendix 5B, January 31 2025). Outcropping surface malachite copper mineralisation has been observed over a strike distance of 60m. This highlights potential for the discovery of copper within the Lyons River Project (Figures 4 and 5).

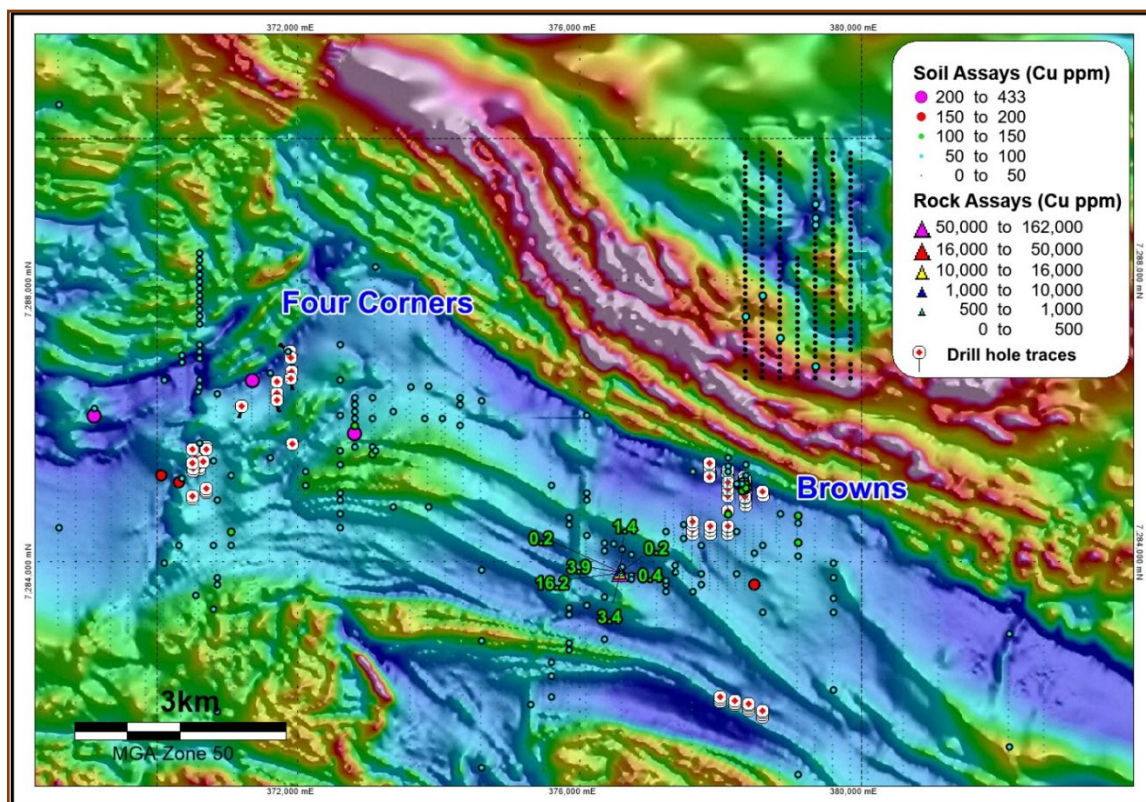


**Figure 4:** Total Magnetic Intensity 1<sup>st</sup> Vertical Derivative image overlain by project wide soil geochemical samples (anomalous copper) and rock chip sample with copper assays above 500ppm.

In addition, a soil geochemical sampling program was undertaken over the Lyons River Project over a number of conceptual target areas with potential for copper with a total of 467 samples collected. Copper values of up to 169ppm have been returned (Figures 5 and 6).



DIRECTORS' REPORT

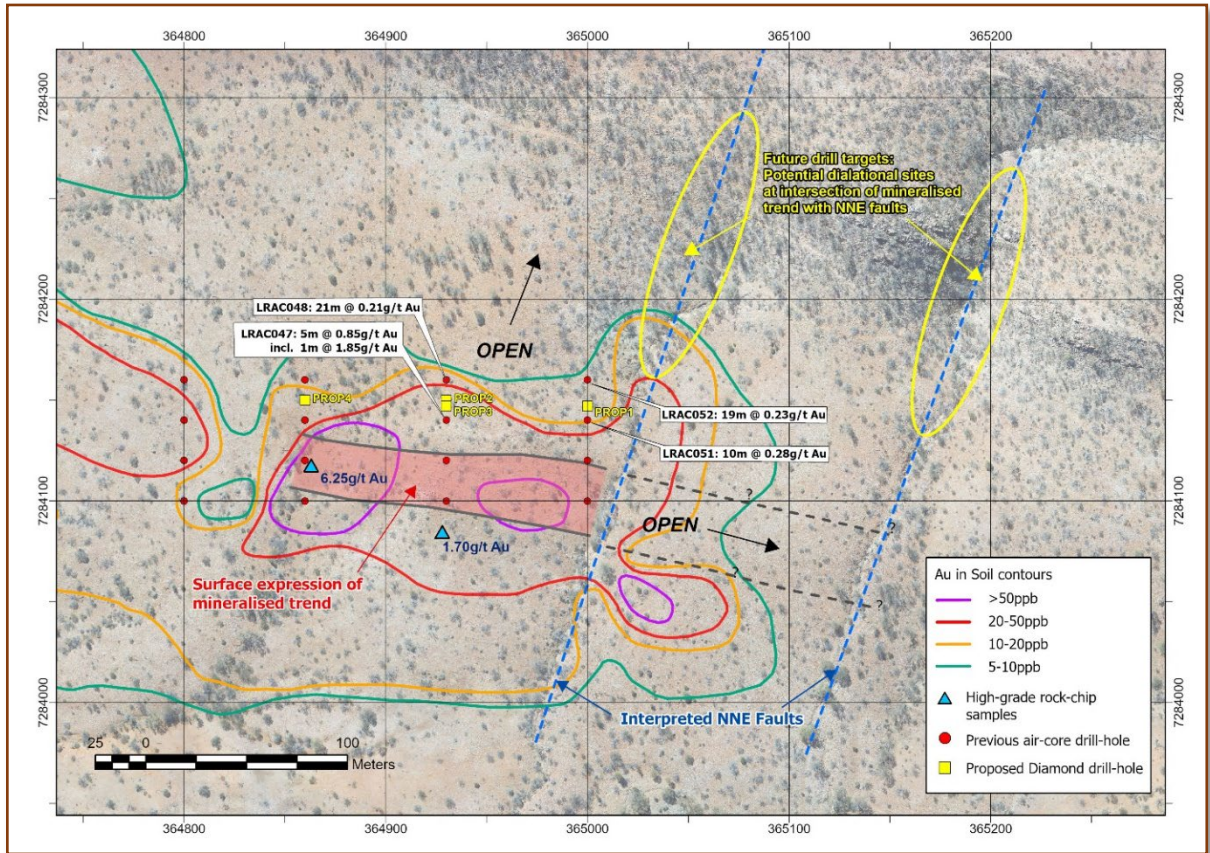


**Figure 5:** Total Magnetic Intensity image overlain by historical and new soil geochemical samples (anomalous copper) and rock chip sample result with copper assays of 16.2% Cu and 0.24 g/t Au.

### Gold Exploration

The Company secured partial funding by the Exploration Incentive Scheme (“EIS”) sponsored by the Government of Western Australia for diamond drilling at the GoodBody West area. Dalaroo’s application was successful in Round 29 of the Western Australian Government’s EIS with an award of a \$100,000 grant to co-fund 50% of the direct diamond drilling cost. Due to the approaching wet season the program was suspended to avoid any safety issues from wet weather and potential delays that would impact the cost of the program. As such the proposed 4 hole program (see Figure 6) will be reevaluated as part of a project review prior to advancing the coming field season work program.

The identification of sulphide-bearing quartz veins, in association with wide silica-sericite alteration haloes and strong Au-As anomalism from the current shallow levels of drilling are considered indicative of a significant hydrothermal system. Mineralisation remains open at depth and to the east and requires deeper drilling to assess the potential for structurally controlled high-grade zones. It is noted that surface anomalism at Goodbody West coincides with the intersection of WNW and NNE-trending structures (refer DAL ASX Announcement from 8 November 2023). Such intersection zones represent potential sites of intensified deformation and hydrothermal fluid movement.



**Figure 6:** Goodbody West gold prospect and interpreted regional structures. AC drill holes and to be drilled diamond drill hole locations.

**Next Steps at Lyons River**

**Gold**

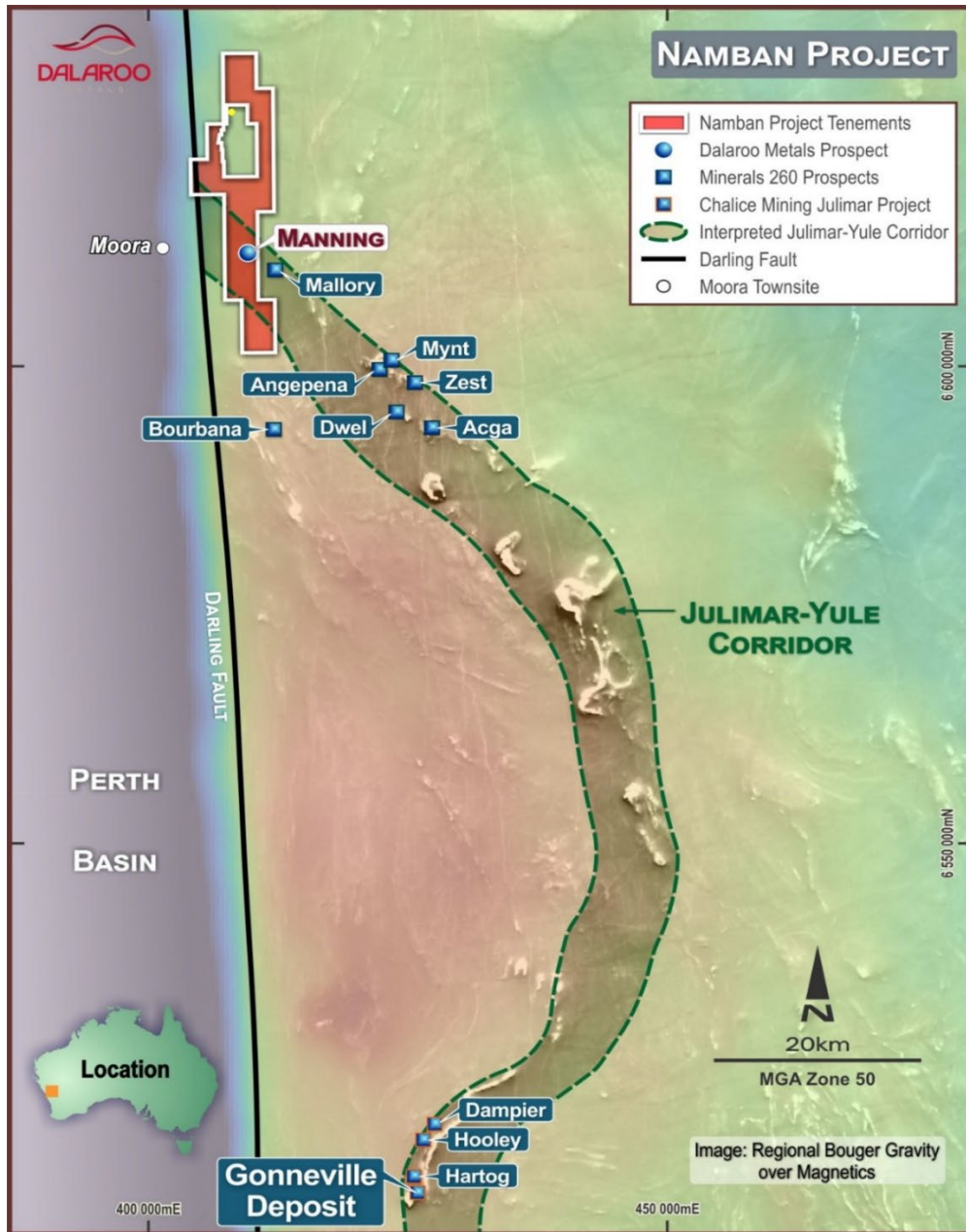
Review of the gold prospectivity aimed at testing the potential for significant gold mineralisation will be undertaken. The EIS funding grant will potentially form part of the next steps.

**Copper/Pb-Zn-Ag**

The drilling to date has confirmed base mineralisation within highly metamorphosed sediments, which combined with the regional geological setting of a near basin margin setting points to Broken Hill type mineralisation potential. This will be further evaluated in determining activities Lyons River for base metal exploration.

**Namban in the Wheatbelt Region of Western Australia**

The Namban tenements are located 150km north of Perth and 90km north of Chalice Mining’s world class Julimar Ni-Cu-PGE Project (Figure 7). Evaluation of the copper potential of the northern tenements was undertaken and potential work programs for advancing coincident high copper in soil and magnetic anomalies is in process. The depression of nickel prices as a result of the significant influx of cheap nickel from Indonesian laterite projects has resulted in a significant cooling of nickel exploration worldwide. As a result of this the company is evaluating the tenements for other higher demand commodities, such as copper.



**Figure 7:** Namban Project Location along the northern extent of the arcuate Julimar – Yule Corridor, truncated by the Darling Fault (dark blue) to the west. Image is 1VD-RTP magnetics draped with Bouguer Gravity

#### Next Steps at Namban

Review of base and precious metal exploration potential of the tenements will be undertaken to determine next steps on the tenements.

#### New Projects

Dalaroo is currently reviewing projects, which it may seek to apply for, acquire or earn into which the Board considers are complementary to Dalaroo's existing Namban and Lyons River projects and have the potential to create further value for shareholders.

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**DIRECTORS' REPORT**

The net loss after income tax for the half-year was \$875,722 (2023 loss: \$315,298).

At the end of the half-year the Company had \$1,400,176 in cash (30 June 2024: \$409,236). Capitalised mineral exploration and evaluation expenditure (including acquisition costs) is \$971,759 (30 June 2024: \$971,759).

**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

There have been no significant changes in the state of affairs of the Company during or since the end of the financial period.

**MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD**

On 20 February 2025, Dalaroo executed a binding Heads of Agreement for an Option to acquire 100% of the Blue Lagoon Zirconium-Niobium-Rare Earth Element Project (MEL2022-07) located in the Gadar Province of Greenland. In consideration for the Option, Dalaroo agreed to pay the Vendor an Option Fee of A\$50,000. The Option is exercisable by Dalaroo at any time prior to the Option expiring on 31 December 2025. Subject to normal commercial due diligence and obtaining any necessary approvals, Dalaroo has also committed to undertaking A\$150,000 of exploration expenditure on the Project. If Dalaroo exercises its Option on or before 31 December 2025 then it agrees to pay the Vendor A\$150,000 in cash and reimbursement of exploration expenditure incurred by the Vendor in the two years prior to the execution date of the Agreement, up to a maximum of A\$150,000 in either cash or shares in Dalaroo. If the Company proceeds it may be liable to issue A\$450,000 in Dalaroo shares, subject to shareholder approval, if significant milestones are achieved within 24 months from the Option Exercise Date.

The Company also entered into an agreement with Bullion Ventures Pty Ltd to pay a "finders fee" of 4% of the consideration value paid to the Vendor. This equated to A\$2,000 in cash for the consideration paid to the Vendor for the Option Fee. Dalaroo also agreed to pay a "facilitator fee" of A\$15,000 in Shares to Rimbal Pty Ltd. The 576,923 ordinary fully paid shares in Dalaroo were valued at \$0.026 each.

Other than stated above, there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act is set out on the following page.

This report is made in accordance with a resolution of the Directors.

DATED at Perth this 14<sup>th</sup> day of March 2025.



**David Quinlivan**  
**Chairman**

**DALAROO METALS LTD**  
**ABN 23 648 476 699**

**DIRECTORS' REPORT**

**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 Michael Brown who is a Geologist and Member of the AIG. Mr Brown 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 Brown 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 report 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.

To the Board of Directors

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the review of the financial statements of Dalaroo Metals Limited for the half year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,



**HALL CHADWICK WA AUDIT PTY LTD**



**CHRIS NICOLOFF CA**  
**Director**

Dated this 14<sup>th</sup> day of March 2025  
Perth, Western Australia

**DALAROO METALS LTD**  
**ABN 23 648 476 699**

**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	Note	Half Year to 31 December 2024 \$	Half Year to 31 December 2023 \$
Other income	10	30,365	1,031,391
<b>Total income</b>		<b>30,365</b>	<b>1,031,391</b>
<b>Expenses</b>			
Staff costs and director fees	11	(347,934)	(304,601)
Professional Fees		(29,770)	(35,760)
Marketing and promotion		(1,086)	(29,888)
Finance costs		(123)	(1,894)
Depreciation		(6,453)	(45,051)
Administration and Other expenses		(144,755)	(104,495)
Loss on Revaluation of Listed entities		-	(21,579)
Share Based Payments	9	(44,311)	(72,724)
Exploration costs expensed		(330,295)	(730,697)
<b>Loss before income tax</b>		<b>(875,722)</b>	<b>(315,298)</b>
Income tax benefit/(expense)		-	-
<b>Loss for the half year</b>		<b>(875,722)</b>	<b>(315,298)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the half year</b>		<b>(875,722)</b>	<b>(315,298)</b>
<b>Loss per share</b>			
Basic and diluted loss per share (cents)		<b>(0.43)</b>	<b>(0.41)</b>

The above condensed statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**DALAROO METALS LTD**  
**ABN 23 648 476 699**

**CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**

	Note	Half year as at 31 December 2024 \$	Full year as at 30 June 2024 \$
<b>Current assets</b>			
Cash and cash equivalents	5	1,400,176	409,236
Trade and other receivables		9,418	45,337
Prepayments		40,181	5,464
<b>Total current assets</b>		<b>1,449,775</b>	<b>460,037</b>
<b>Non-current assets</b>			
Property, Plant & equipment		33,562	37,836
Exploration & Evaluation Assets	6	971,759	971,759
<b>Total non-current assets</b>		<b>1,005,321</b>	<b>1,009,595</b>
<b>Total assets</b>		<b>2,455,096</b>	<b>1,469,632</b>
<b>Current liabilities</b>			
Trade and Other payables	7(a)	50,112	458,067
Employee Benefits Provision	7(b)	5,215	28,365
Shareholder Advances		-	198,600
<b>Total current liabilities</b>		<b>55,327</b>	<b>685,032</b>
<b>Non-current liabilities</b>			
Employee Benefits Provision		-	5,300
<b>Total non-current liabilities</b>		<b>-</b>	<b>5,300</b>
<b>Total liabilities</b>		<b>55,327</b>	<b>690,332</b>
<b>Net assets</b>		<b>2,399,769</b>	<b>779,300</b>
<b>Equity</b>			
Issued capital	8	9,763,696	7,311,816
Reserves	9	114,603	228,448
Accumulated losses		(7,478,530)	(6,760,964)
<b>Total equity</b>		<b>2,399,769</b>	<b>779,300</b>

The above statement of condensed financial position should be read in conjunction with the accompanying notes.



**DALAROO METALS LTD**  
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**CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	Issued Capital \$	Accumulated Losses \$	Reserves \$	Total \$
<b>2023</b>				
<b>Balance at 1 July 2023</b>	6,669,159	(5,219,426)	88,791	1,538,524
<b>Comprehensive Income:</b>				
Loss for the period	-	(315,298)	-	(315,298)
Shares issued (net of costs)	643,725	-	-	643,725
Share based payments	-	-	72,724	72,724
<b>Balance at 31 December 2023</b>	<b>7,312,884</b>	<b>(5,534,724)</b>	<b>161,515</b>	<b>1,939,675</b>
<b>2024</b>				
<b>Balance at 1 July 2024</b>	7,311,816	(6,760,964)	228,448	779,300
<b>Comprehensive Income:</b>				
Loss for the period	-	(875,722)	-	(875,722)
Shares issued (net of costs)	2,451,880	-	-	2,451,880
Expiry of performance rights	-	158,156	(158,156)	-
Share based payments	-	-	44,311	44,311
<b>Balance at 31 December 2024</b>	<b>9,763,696</b>	<b>(7,478,530)</b>	<b>114,603</b>	<b>2,399,769</b>

The above statement of condensed changes in equity should be read in conjunction with the accompanying notes.

**DALAROO METALS LTD**  
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**CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	Note	Half Year to 31 December 2024 \$	Half Year to 31 December 2023 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		-	4,400
Interest received		7,339	3,072
Funds from Government Grants		23,026	23,919
Payments to suppliers and employees (corporate)		(521,525)	(455,489)
Payments to suppliers and employees (exploration)		(769,000)	(751,787)
<b>Net cash flows used in operating activities</b>		<b>(1,260,160)</b>	<b>(1,175,885)</b>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of mineral rights		-	500,000
Payments for property, plant and equipment		(2,180)	-
<b>Net cash flows from / (used in) investing activities</b>		<b>(2,180)</b>	<b>500,000</b>
<b>Cash flows from financing activities</b>			
Proceeds from the issue of shares and options		2,451,400	670,500
Payments for share issue costs		(198,120)	(53,775)
Payment of lease liabilities		-	(42,000)
<b>Net cash flows from financing activities</b>		<b>2,253,280</b>	<b>574,725</b>
<b>Net (decrease) / increase in cash held</b>		<b>990,940</b>	<b>(101,160)</b>
Cash at the beginning of the period	5	409,236	843,411
<b>Cash at the end of the period</b>	<b>5</b>	<b>1,400,176</b>	<b>742,251</b>

The above statement of condensed cash flows should be read in conjunction with the accompanying notes.

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**NOTES TO THE INTERIM FINANCIALS STATEMENTS**  
**FOR THE HALF- YEAR END 31 DECEMBER 2024**

**Note 1 Basis of preparation of half-year report**

**Statement of compliance**

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the 30 June 2024 annual financial statements.

The Company is a for profit entity for financial reporting purposes under Australian Accounting Standards.

The half-year financial report was approved by the Board of Directors on 14th March 2025.

**Basis of preparation**

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation are consistent with those previously disclosed in the 30 June 2024 annual financial statements, except for the new accounting policies adopted by the Company during the period, as disclosed below:

**Fair Value**

A number of the company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

*Investments in equity securities*

The fair value of financial assets at fair value through profit or loss, is determined by reference to their quoted bid price at the reporting date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

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**NOTES TO THE INTERIM FINANCIALS STATEMENTS**  
**FOR THE HALF-YEAR END 31 DECEMBER 2024**

**Note 1 Basis of preparation of half-year report (continued)**

**Going concern basis for preparation of financial statements**

This half-year interim financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. During the half-year ended 31 December 2024, the Company incurred a net loss after tax of \$875,722 (2023 loss: \$315,298), had cash flows used in operating activities of \$1,260,160 (2024: \$1,175,885) and net working capital surplus of \$1,394,448 (at 30 June 2024: net working capital deficit of \$224,995). The Directors have considered the funding and operational status of the business in arriving at their assessment of going concern and believe that the going concern basis of preparation is appropriate based upon:

- The Company's ability to raise funds from external sources to meet ongoing working and investing capital requirements; and
- The Company's ability to manage the timing of cash flows to meet the committed obligations of the business as and when they fall due.

Should the Company be unable to raise the amount of funding at the levels required from both external sources as well as the disposal of its liquid investments, there is a material uncertainty that the Company will be able to continue as a going concern, and therefore whether it will be able to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

**New Accounting Standards and Interpretations on issue not yet applicable**

The Directors have not early adopted any new Accounting Standard or Interpretation currently on issue but not yet applicable to the Company.

**Note 2 Segment information**

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources. Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics. The Company's sole activity is mineral exploration and resource development wholly within Australia, therefore, it has aggregated all operating segments into the one reportable segment being mineral exploration.

The reportable segment is represented by the primary statements forming these financial statements.

**Note 3 Dividends**

No dividends were paid or proposed during the period. The Company has no franking credits available as at 31 December 2024.

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**NOTES TO THE INTERIM FINANCIALS STATEMENTS**  
**FOR THE HALF-YEAR END 31 DECEMBER 2024**

**Note 4 Commitments and Contingencies**

- (i) Contingent assets and liabilities - There has been no change in contingent assets and liabilities since the last annual reporting date.
- (ii) Commitments - In December 2023, Dalaroo's Lithium Mineral rights at Lyons River were acquired by Delta Lithium Limited. In accordance with the agreement, Delta Lithium Limited are required to expend a minimum of 50% of the annual statutory expenditure requirements on the Lyons River Project tenements held by the Company for a period of three years.

At 31 December 2024, total exploration expenditure commitments on tenements held by the Company for the following twelve months amounted to \$1,040,000 (30 June 2024: \$999,000).

There has been no other changes in commitments since the last annual reporting date.

**Note 5 Current Assets - Cash and Cash Equivalents**

	31 December 2024 \$	30 June 2024 \$
Cash at bank and on hand	1,400,176	409,236
	<b>1,400,176</b>	<b>409,236</b>

**Note 6 Exploration and Evaluation Assets**

	31 December 2024 \$	30 June 2024 \$
<b>Opening balance at start of financial period</b>	971,759	971,759
Acquisitions during the period	-	-
<b>Closing balance at end of financial period</b>	<b>971,759</b>	<b>971,759</b>

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**NOTES TO THE INTERIM FINANCIALS STATEMENTS**  
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**Note 7 Current Liabilities**

	31 December 2024		30 June 2024	
	\$		\$	
<b>(a) Trade and other payables</b>				
Trade payables		37,002		417,892
Other payables		13,110		13,289
Other payables – related parties		-		26,886
		<u>50,112</u>		<u>458,067</u>
<b>(b) Employee Benefits Provisions</b>				
Annual leave provision ( <i>current</i> )		5,215		28,365
Long service leave provision ( <i>non-current</i> )		-		5,300
		<u>5,215</u>		<u>33,665</u>

**Note 8 Issued Capital**

	31 December 2024		30 June 2024	
	No.	\$	No.	\$
<b>a) Share capital</b>				
Issued share capital	248,375,000	9,763,696	82,750,000	7,311,816
<b>b) Share movements during the period</b>				
<b>Balance at the start of the financial period</b>	<b>82,750,000</b>	<b>7,311,816</b>	<b>67,450,000</b>	<b>6,669,159</b>
Shares issued on placement	165,625,000	2,650,000	15,300,000	697,500
Less share issue costs	-	(198,120)	-	(54,843)
<b>Balance at end of financial period</b>	<b>248,375,000</b>	<b>9,763,696</b>	<b>82,750,000</b>	<b>7,311,816</b>

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**NOTES TO THE INTERIM FINANCIALS STATEMENTS**  
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**Note 9 Reserves**

**Options**

	31 December 2024	30 June 2024
	\$	\$
<b>a) Options</b>		
Opening balance at start of year	5,000	5,000
Expired during the period	(5,000)	-
<b>Closing balance</b>	<b>-</b>	<b>5,000</b>
<b>b) Share based payments</b>		
Opening balance at start of year	228,448	83,791
Expiry of performance rights	(158,156)	-
Share based payment expense for period	44,311	144,657
<b>Closing balance</b>	<b>114,603</b>	<b>228,448</b>
<b>Total as at end of financial period</b>	<b>114,603</b>	<b>233,448</b>

Movements in the number of options on issue during the year are as follows:

	31 December 2024		30 June 2024	
	No	\$	No	\$
Options on issue at the start of the financial period	27,375,000	5,000	13,000,000	5,000
Options expired during the period	(5,000,000)	(5,000)	-	-
Options issued during the period	-	-	14,375,000	-
<b>Options on issue at the end of the financial period</b>	<b>22,375,000</b>	<b>-</b>	<b>27,375,000</b>	<b>5,000</b>

**Performance Rights**

At the date of this report 16,651,250 performance rights have been issued pursuant to the terms and conditions of the Employee Securities Incentive Plan. The vesting conditions for each of the class of performance rights is detailed below:

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**Note 9 Reserves (continued)**

Class		Key Vesting conditions
1	400,000	The volume weighted average price per Share, calculated over a period of 20 consecutive trading days ( <b>VWAP</b> ) being equal to or greater than \$0.174.
2	400,000	The volume weighted average price per Share, calculated over a period of 20 consecutive trading days ( <b>VWAP</b> ) being equal to or greater than \$0.196.
3	400,000	Mr Quinlivan remaining with the Company until at least 30 June 2025 ( <b>Vesting Date</b> ), subject to the discretion of the Board under the rules of the Plan.
4	8,000,000	Upon the achievement of the latter of the following: Dalaroo achieving a 20- day VWAP (volume weighted average price) of \$0.036 per share and 12 months service to the Company by Messrs Gordon and Ahmad.
5	2,483,750	The later of the following occurring: (a) the Company achieving a 10 Trading Day VWAP of a 100% premium to the last traded price of Shares on 21 October 2024, being \$0.024; and (b) Mr Brown serving as an employee of the Company for more than 12 months.
6	2,483,750	The later of the following occurring: (a) the Company achieving a 10 Trading Day VWAP of a 200% premium to the last traded price of Shares on 21 October 2024, being \$0.024; and (b) Mr Brown serving as an employee of the Company for more than 12 months.
7	2,483,750	Mr Brown serving as an employee of the Company for more than 24 months.

Movements in the number of performance rights on issue during the financial period are as follows:

	31 December 2024		30 June 2024	
	No	\$	No	\$
Performance rights on issue at the start of the financial period	3,900,000	228,448	3,900,000	83,791
Performance rights expired	(2,700,000)	(158,156)	-	-
Performance rights issued	15,451,250	44,311	-	144,657
<b>Performance rights on issue at the end of the financial period</b>	<b>16,651,250</b>	<b>114,603</b>	<b>3,900,000</b>	<b>228,448</b>

The Incentive Performance Rights to be issued to the Key Management Personnel were independently valued, using the Parisian Barrier1 Model option pricing model and based on the assumptions set out below, the Incentive Performance Rights were ascribed the following value:



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**FOR THE HALF-YEAR END 31 DECEMBER 2024**

**Note 9 Reserves (continued)**

The Incentive Performance Rights to be issued to the Key Management Personnel were independently valued, using the Parisian Barrier1 Model option pricing model and based on the assumptions set out below, the Incentive Performance Rights were ascribed the following value:

**Classes 1-3**

Input	
Number of Performance Rights	3,900,000
Assumed Share Price at Grant Date (30 November 2022)	\$0.11
Performance Milestones	<p><b>(Class 1):</b> The 20 Day volume weighted average price of Shares, calculated over consecutive days in which the Shares have traded (<b>VWAP</b>) being equal to or greater than \$0.174.</p> <p><b>(Class 2):</b> The 20 Day volume weighted average price of Shares, calculated over consecutive days in which the Shares have traded (<b>VWAP</b>) being equal to or greater than \$0.196.</p> <p><b>(Class 3):</b> Eligible participants remaining with the Company until at least 30 June 2025 (<b>Vesting Date</b>), subject to the discretion of the Board under the Plan.</p>
Vesting Period	943 Days
Expiry Period	1,673 Days
Dividend Yield	Nil
Volatility	92%
Risk-free interest rate	3.10% per annum
Estimated value per Performance Right	<b>(Class 1):</b> \$0.0903 <b>(Class 2):</b> \$0.0864 <b>(Class 3):</b> \$0.1100
Total value of Performance Rights	\$372,710

**Class 4**

Input	
Number of Performance Rights	8,000,000
Assumed Share Price at Grant Date (19 August 2024)	\$0.021
Performance Milestones	Upon the achievement of the latter of the following: Dalaroo achieving a 20- day VWAP (volume weighted average price) of \$0.036 per share and 12 months service to Dalaroo.
Vesting/Expiry Period	1,099 Days
Dividend Yield	Nil
Volatility	101%
Risk-free interest rate	3.49% per annum
Estimated value per Performance Right	\$0.0180
Total value of Performance Rights	\$144,000

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**NOTES TO THE INTERIM FINANCIALS STATEMENTS**  
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**Note 9 Reserves (continued)**

**Classes 5-6**

Input	
Number of Performance Rights	4,967,500
Assumed Share Price at Grant Date (29 November 2024)	\$0.020
Performance Milestones	<p><b>(Class 5):</b> The later of the following occurring: (a) the Company achieving a 10 Trading Day VWAP of a 100% premium to the last traded price of Shares on 21 October 2024, being \$0.024; and (b) Mr Brown serving as an employee of the Company for more than 12 months.</p> <p><b>(Class 6):</b> The later of the following occurring: (a) the Company achieving a 10 Trading Day VWAP of a 200% premium to the last traded price of Shares on 21 October 2024, being \$0.024; and (b) Mr Brown serving as an employee of the Company for more than 12 months.</p>
Vesting Period	365 to 1,095 Days
Expiry Period	1,095 Days
Dividend Yield	Nil
Volatility	101%
Risk-free interest rate	3.84% per annum
Estimated value per Performance Right	<b>(Class 5):</b> \$0.0162 <b>(Class 6):</b> \$0.0141
Total value of Performance Rights	\$75,258

**Class 7**

Input	
Number of Performance Rights	2,483,750
Assumed Share Price at Grant Date (29 November 2024)	\$0.020
Performance Milestones	Mr Brown serving as an employee of the Company for more than 24 months.
Vesting Period	730 Days
Expiry Period	1,095 Days
Estimated value per Performance Right	\$0.020
Total value of Performance Rights	\$49,675

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**NOTES TO THE INTERIM FINANCIALS STATEMENTS**  
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**Note 10 Other Income**

	31 December 2024	31 December 2023
	\$	\$
Rental income	-	4,400
Interest Income	7,339	3,072
Government grant income	23,026	23,919
Gain on disposal of lithium rights	-	1,000,000
<b>Total Other Income</b>	<b>30,365</b>	<b>1,031,391</b>

**Note 11 Staff Costs and Directors' Fees**

	31 December 2024	31 December 2023
	\$	\$
Salaries and wages (including superannuation)	82,477	96,018
Directors' fees (including superannuation)	259,982	199,800
Employee leave benefits expense	5,475	8,783
<b>Total Staff Costs and Directors' Fees</b>	<b>347,934</b>	<b>304,601</b>

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**NOTES TO THE INTERIM FINANCIALS STATEMENTS**  
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**Note 12 Events Occurring After the Balance Sheet Date**

On 20 February 2025, Dalaroo executed a binding Heads of Agreement for an Option to acquire 100% of the Blue Lagoon Zirconium-Niobium-Rare Earth Element Project (MEL2022-07) located in the Gadar Province of Greenland. In consideration for the Option, Dalaroo agreed to pay the Vendor an Option Fee of A\$50,000. The Option is exercisable by Dalaroo at any time prior to the Option expiring on 31 December 2025. Subject to normal commercial due diligence and obtaining any necessary approvals, Dalaroo has also committed to undertaking A\$150,000 of exploration expenditure on the Project. If Dalaroo exercises its Option on or before 31 December 2025 then it agrees to pay the Vendor A\$150,000 in cash and reimbursement of exploration expenditure incurred by the Vendor in the two years prior to the execution date of the Agreement, up to a maximum of A\$150,000 in either cash or shares in Dalaroo. If the Company proceeds it may be liable to issue A\$450,000 in Dalaroo shares, subject to shareholder approval, if significant milestones are achieved within 24 months from the Option Exercise Date.

The Company also entered into an agreement with Bullion Ventures Pty Ltd to pay a “finders fee” of 4% of the consideration value paid to the Vendor. This equated to A\$2,000 in cash for the consideration paid to the Vendor for the Option Fee. Dalaroo also agreed to pay a “facilitator fee” of A\$15,000 in Shares to Rimbal Pty Ltd. The 576,923 ordinary fully paid shares in Dalaroo were valued at \$0.026 each.

Other than noted above, there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

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**DIRECTORS' DECLARATION**

The directors of Dalaroo Metals Ltd ("the Company") declare that:

- (a) the interim financial statements and notes set out on pages 15 to 28 are in accordance with the Corporations Act 2001, including:
  - (i) complying with Australian Accounting Standard AASB 134 – *Interim Financial Reporting*, and the Corporations Regulations 2001; and
  - (ii) give a true and fair view of the financial position as at 31 December 2024 and of the performance for the period ended on that date of the Company.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Signed at Perth this 14<sup>th</sup> day of March 2025.



**David Quinlivan**  
**Chairman**

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF DALAROO METALS LIMITED

### Conclusion

We have reviewed the accompanying half-year financial report of Dalaroo Metals Limited ("the Company") which comprises the statement of financial position as at 31 December 2024, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Dalaroo Metals Limited does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Company incurred a net loss of \$875,722 during the half year ended 31 December 2024. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

## Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**HALL CHADWICK WA AUDIT PTY LTD**



**CHRIS NICOLOFF CA**  
**Director**

Dated this 14<sup>th</sup> day of March 2025  
Perth, Western Australia