

Quarterly Activities Report For Period Ended 31 December 2021

Highlights

Namban in the Wheatbelt Region of Western Australia

- Maiden UAV drone airborne magnetics surveys identify multiple targets.
- Three targets with similar geophysical signatures to Minerals 260 Ltd (ASX: "MI6") Mallory Anomaly outlined at Namban.
- Strong PGE-Ni-Cu geochemical anomalism (Cattady anomaly) defined by wide-spaced geochemical sampling confirming exploration potential within the Namban Project over first area with sampling undertaken, resulting in PGE values of up to 97 ppb and peak anomalous values of 642 ppm Ni and 226 ppm Cu defined over a 1km strike length. This emerging anomaly remains open along strike.
- Follow up 50 X 50m infill and strike extension geochemical sampling completed at the newly identified Cattady anomaly.
- Further systematic geochemical surveys have commenced over magnetic intrusive target areas, following completion of the annual grain harvest

*PGE: Platinum Group Elements – palladium (Pd) and platinum (Pt)

Lyons River in the Gascoyne Region of Western Australia

- 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 ("Dalaroo" or "Company") is pleased to provide an update on its activities during the December Quarter 2021.

Three UAV surveys completed using a 50m line spacing and 25m ground clearance with lines flown east-west have identified nine targets at the Namban Project located ~ 150km north-northeast of Perth and adjacent to the regional centre of Moora in Western Australia (Figures 1 and 2). These results have been used to generate a structural interpretation that is guiding the systematic soil geochemical sampling currently underway (Figure 3).

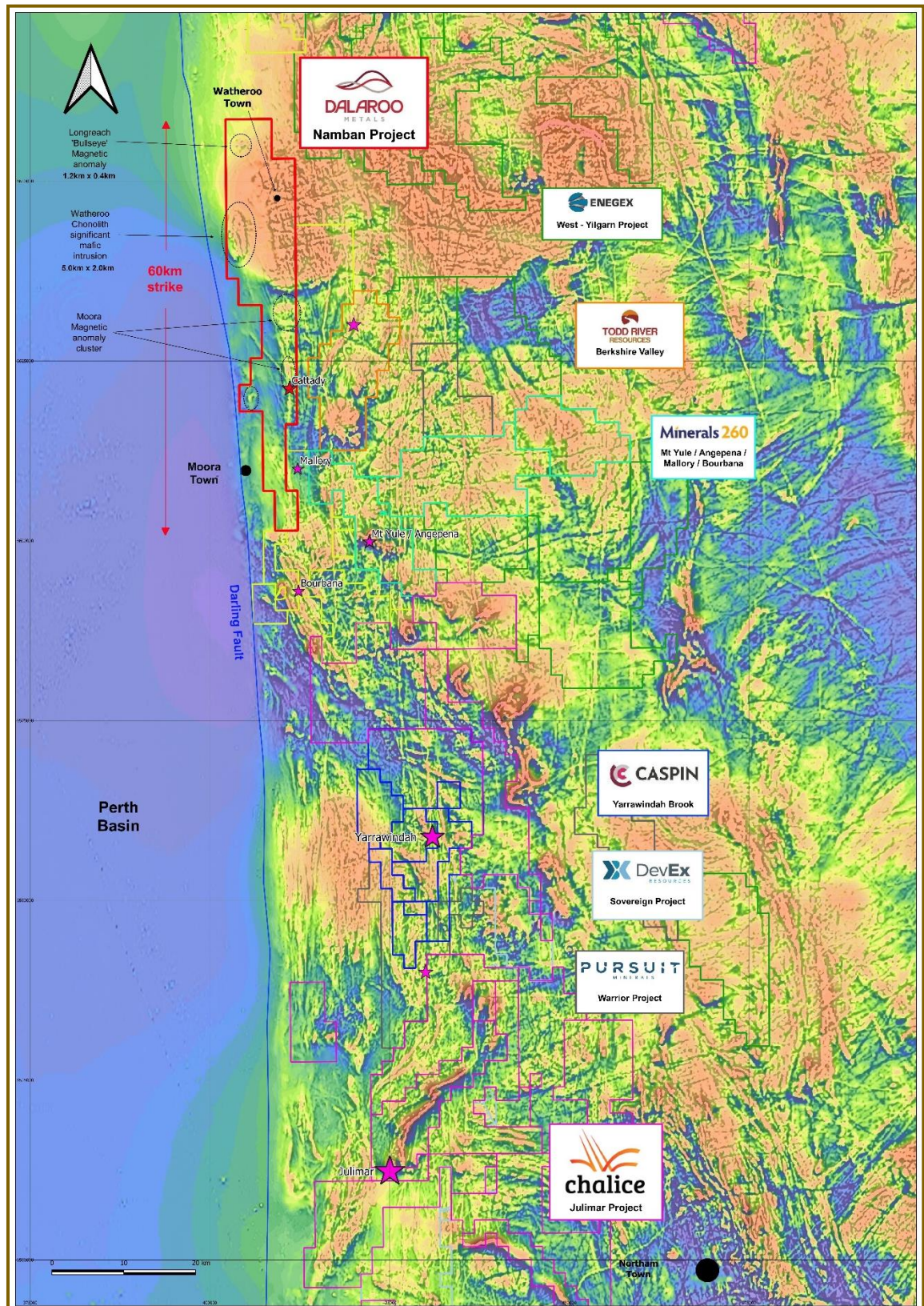


Figure 1: Namban Project Location

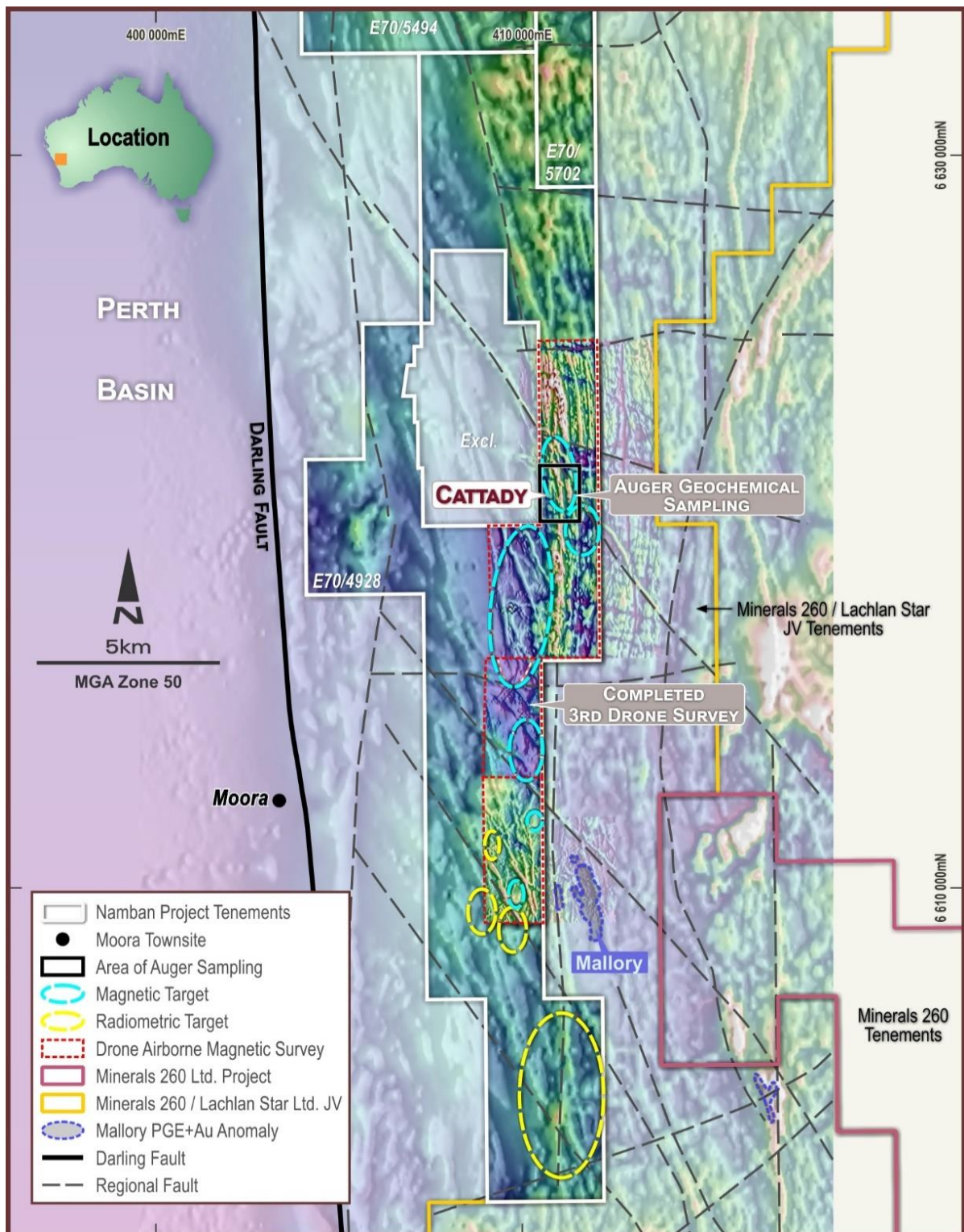


Figure 2: Namban Project – Cattady PGE anomaly location and drone survey identified magnetic targets.

Analysis of the neighbouring Minerals 260 Limited's Mallory PGE + Au Anomaly location suggests it may be structurally controlled and coincident with a "radiometric lateritic" signature in an apparent magnetic low. Similar lateritic signatures are evident in Dalaroo's Moora area UAV magnetics survey results along with interpreted NW structures/trends extending from the Mallory anomaly into Dalaroo's Namban tenement E70/4928. A large radiometric response can also be seen in the Government 200m spaced data extending into the southern part of E70/4928 (Figure 4).

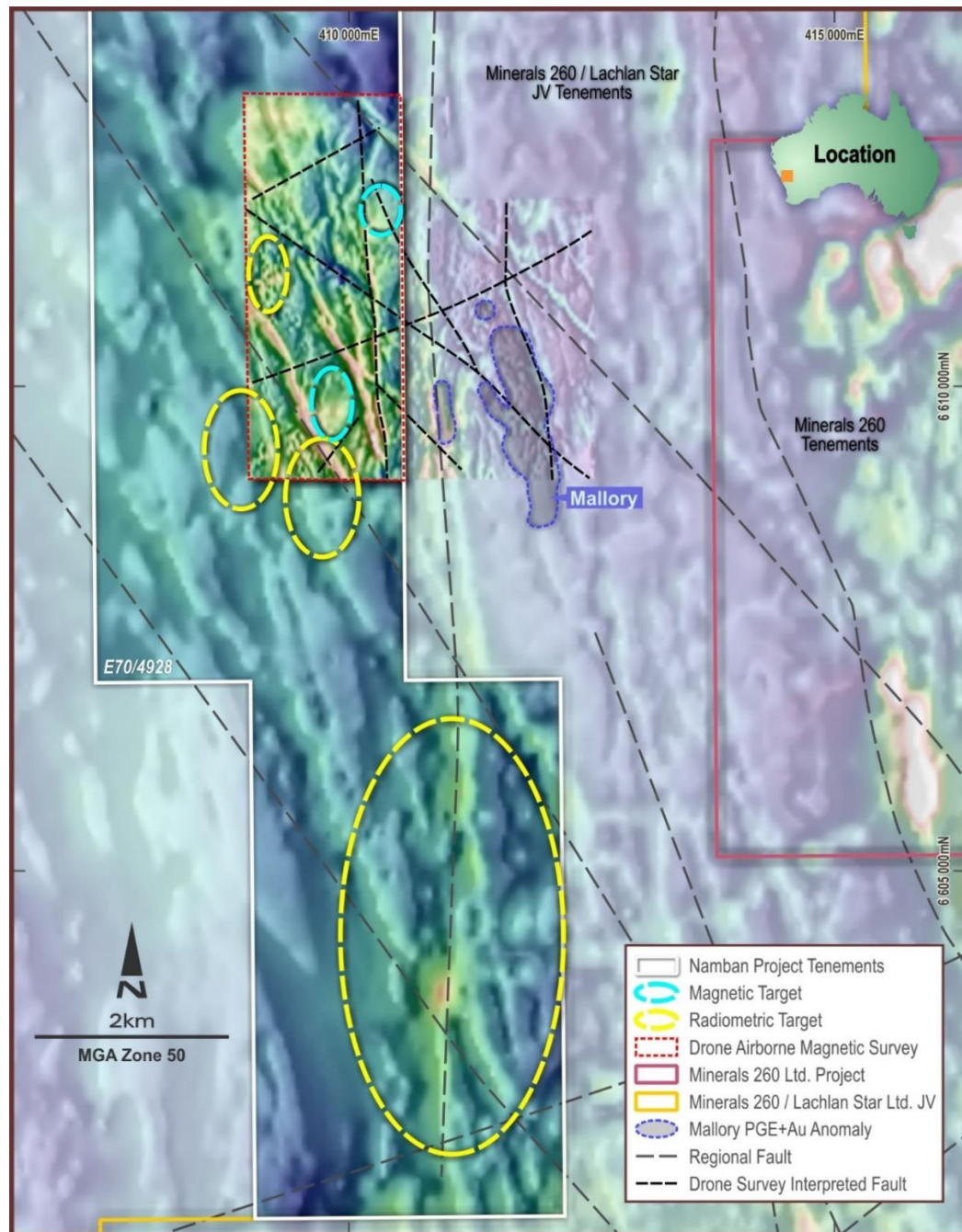


Figure 3: Namban Project - Total Magnetic Intensity - UAV 50m spaced airborne magnetics structure trends, magnetic targets/intrusions and Minerals 260's Mallory anomaly outline

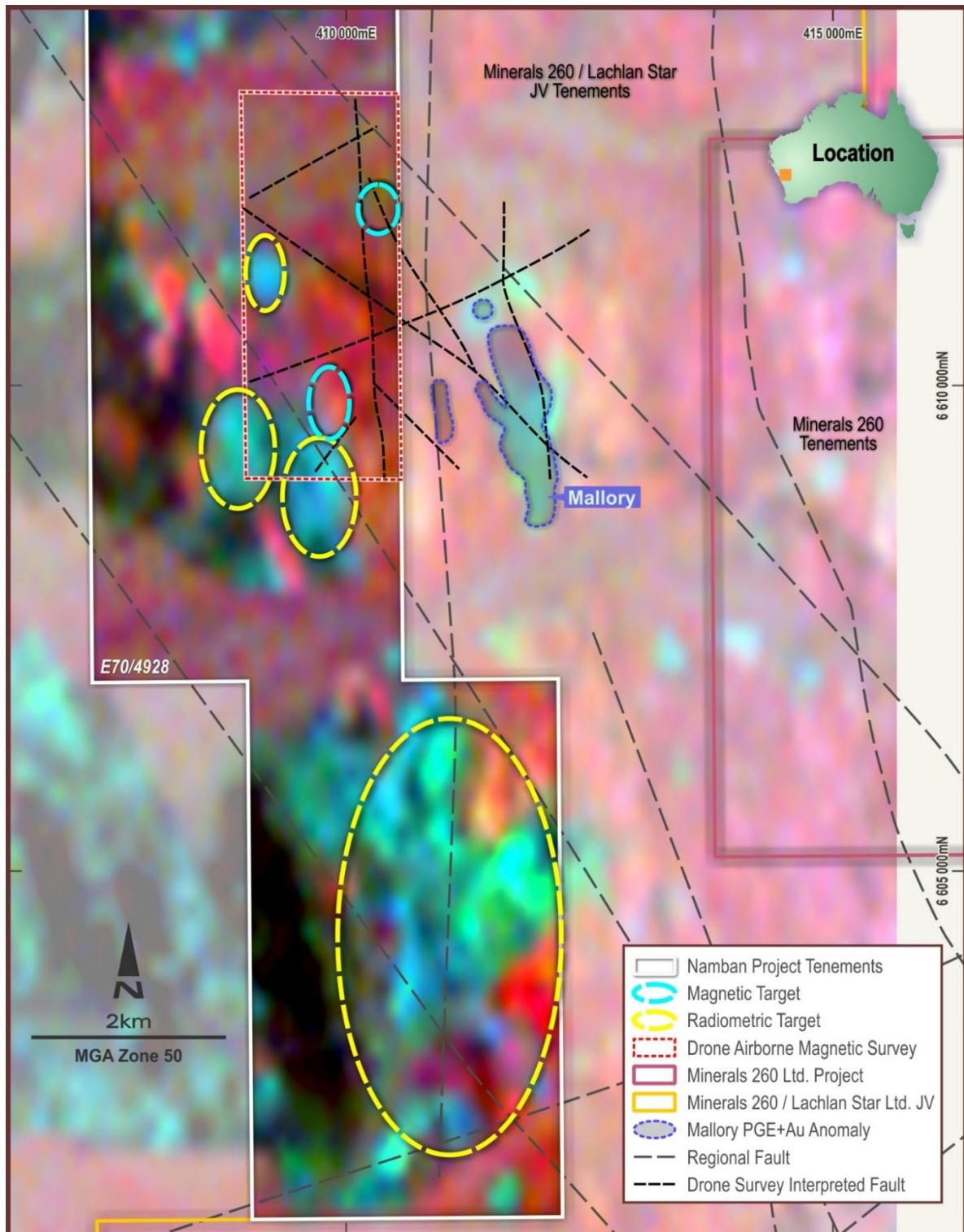


Figure 4: Regional Radiometrics Ternary KThUr RGB Image with lateritic signature targets which are coincident with magnetic intrusions with Namban Project tenement E70/4928

Very encouraging results were received from initial wide-spaced, first pass geochemical sampling programme from Namban. The auger geochemical sampling programme totalled 81 samples covering an area of 1.0km by 1.5km. No modern systematic exploration has been undertaken over this area of the Archaean age Jimperding Metamorphic Belt prior to this recent work by Dalaroo. The Cattady PGE-Ni-Cu Anomaly is defined by sample spacing of 200 X 100m. Multi-element assays have delineated the Cattady anomaly covering an area of 1.0 X 0.25km with a peak Pd value of up to 82ppb associated with anomalous Pt values of up to 15 ppb for combined PGE value of 97ppb (Figures 5 and 6). Surrounding the geochemical anomaly the Pd and Pt values are complemented by values of up to 642ppm Ni and 226ppm Cu (Figure 6).

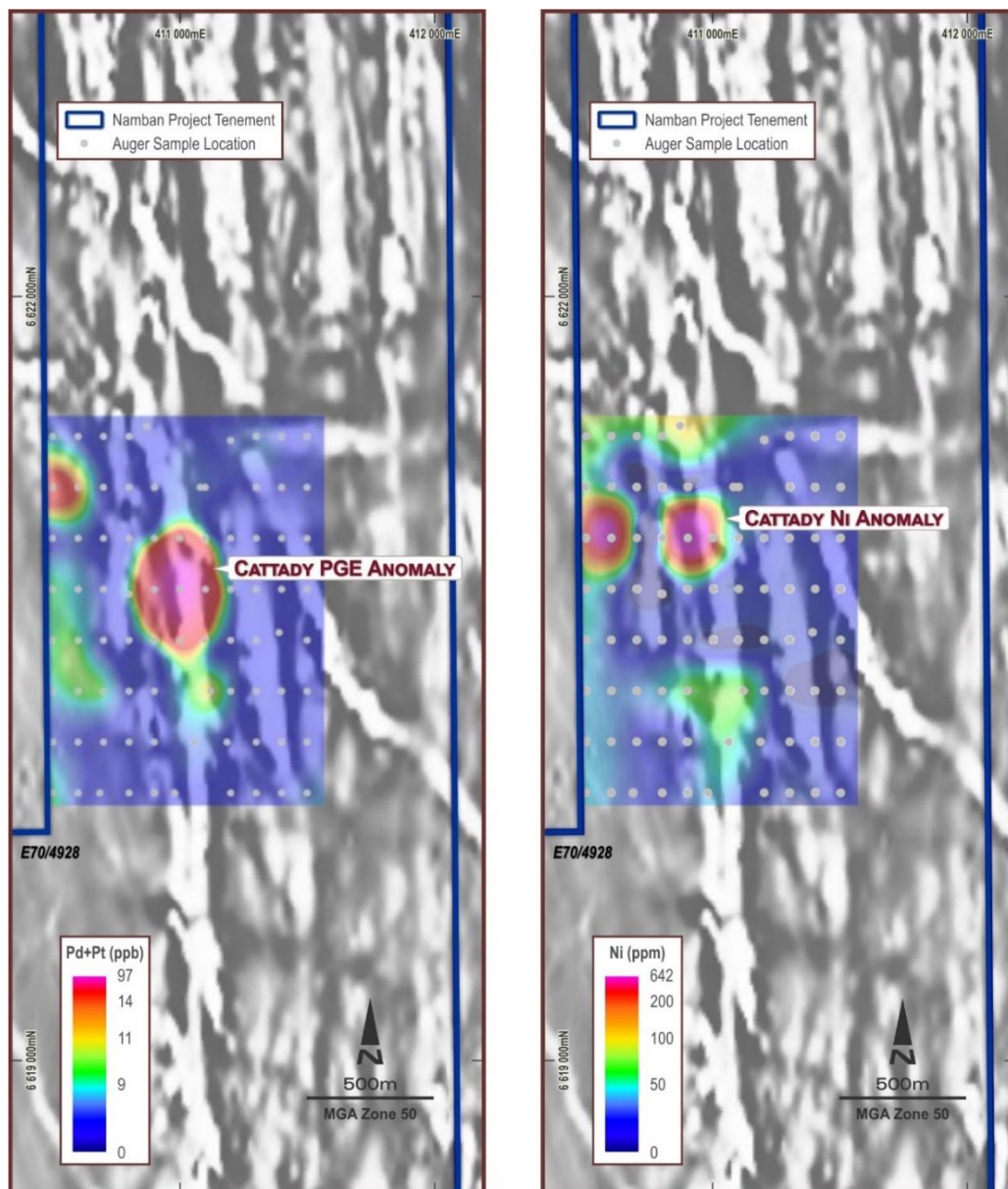


Figure 5: Cattady anomaly – Images of PGE (Pd+Pt) and Ni geochemical results overlain on recently flown drone 1st Vertical Derivative magnetic data image.

“The anomaly coincides with a broad residual lateritised topographic high, trending in a north-south direction. Residual laterite is commonly observed in the Jimperding Metamorphic Belt as the surface expression of underlying mafic and ultramafic lithologies,” said Mr Harjinder Kehal, Managing Director of Dalaroo Metals.

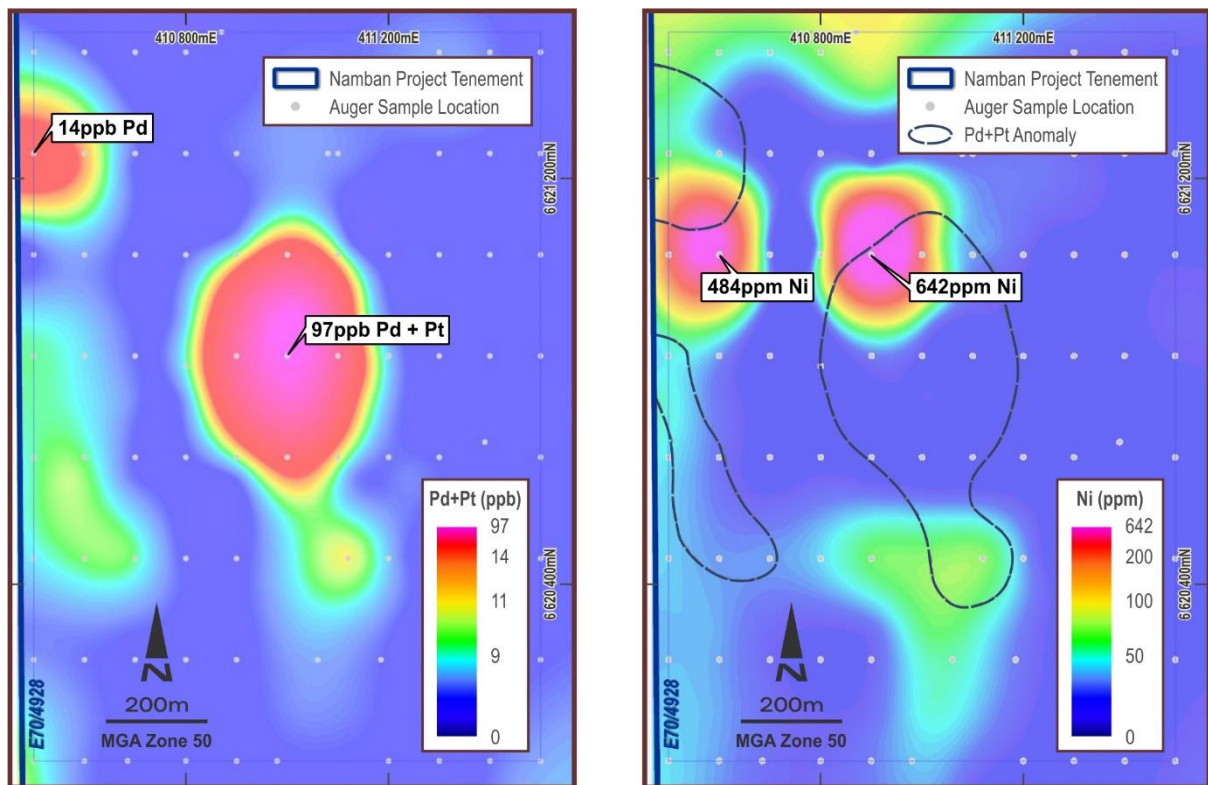


Figure 6: Cattady Anomaly – Images of PGE (Pd+Pt) and Ni geochemical results.

Upcoming Exploration Milestones

With the grain harvest completed over the Namban Project area, large areas will now become available for systematic geochemical sampling programmes. Priority sampling will test the north-south strike extent of the Cattady PGE-Ni-Cu anomalous zone. First pass geochemical sampling of additional targets generated from the recent detailed UAV airborne magnetic surveys will follow during the March Quarter 2022. This will assist in subsequent aircore and RC drill targeting.

Lyons River

Dalaroo's Lyons River Project is a strategic (100% owned) land position of 703 km² 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 program of RC drilling has been successfully completed at the Four Corners prospect (Figures 7 and 8). A total of eight RC drill holes for 1,989 metres were completed at the Four Corners prospect with holes ranging in depth from 219 to 287 metres (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 be 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 8).

Next Steps

Exploration activities planned for the Lyons River Project include:

1. An assessment of gravity survey data for the Four Corners and Browns prospects and integration with the IP, magnetics and geochemistry is well underway. Targets generated will be drill tested early in the 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 been 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.

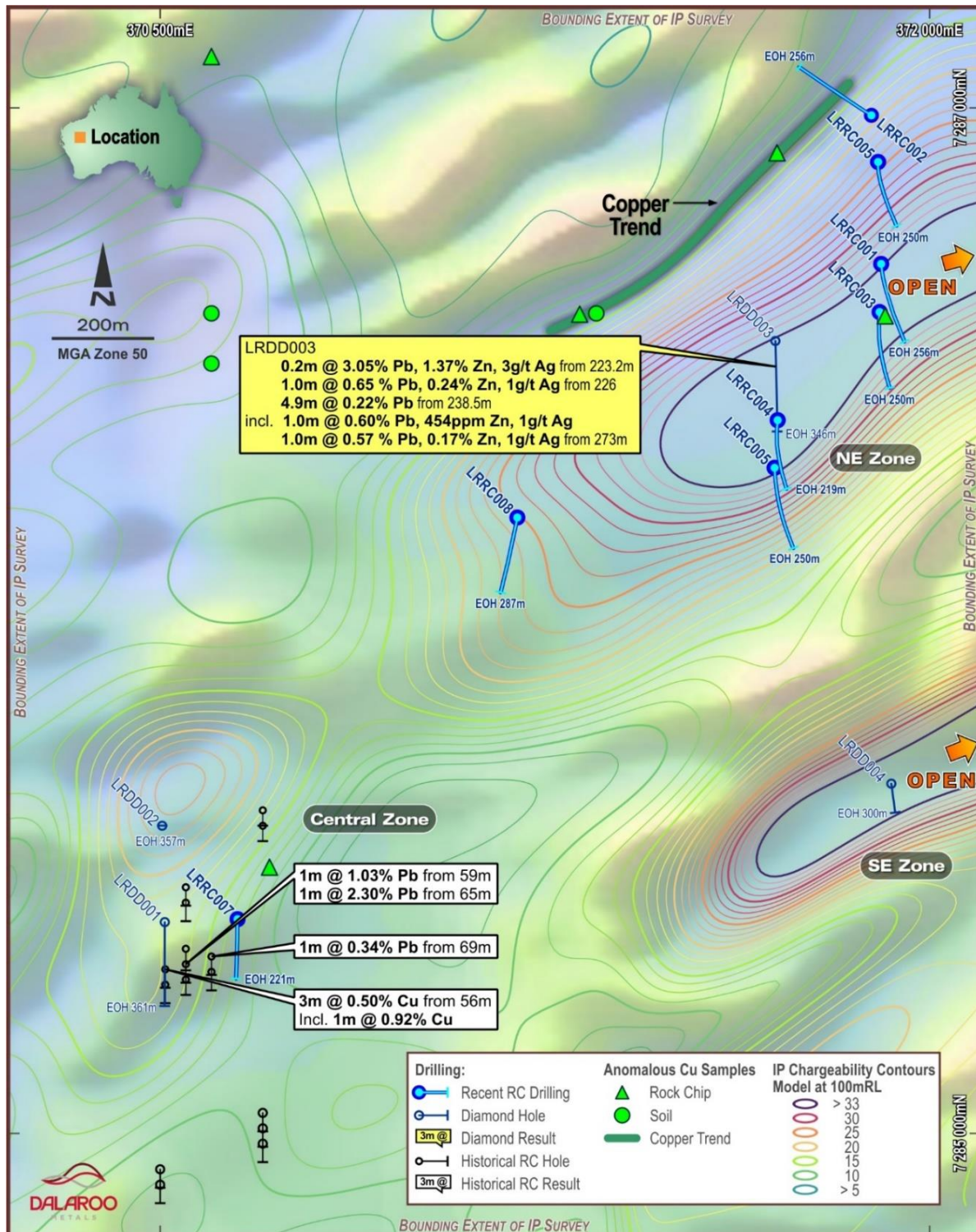


Figure 7: Lyons River Project, drill hole location map with historical holes and completed drill program RC holes.

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

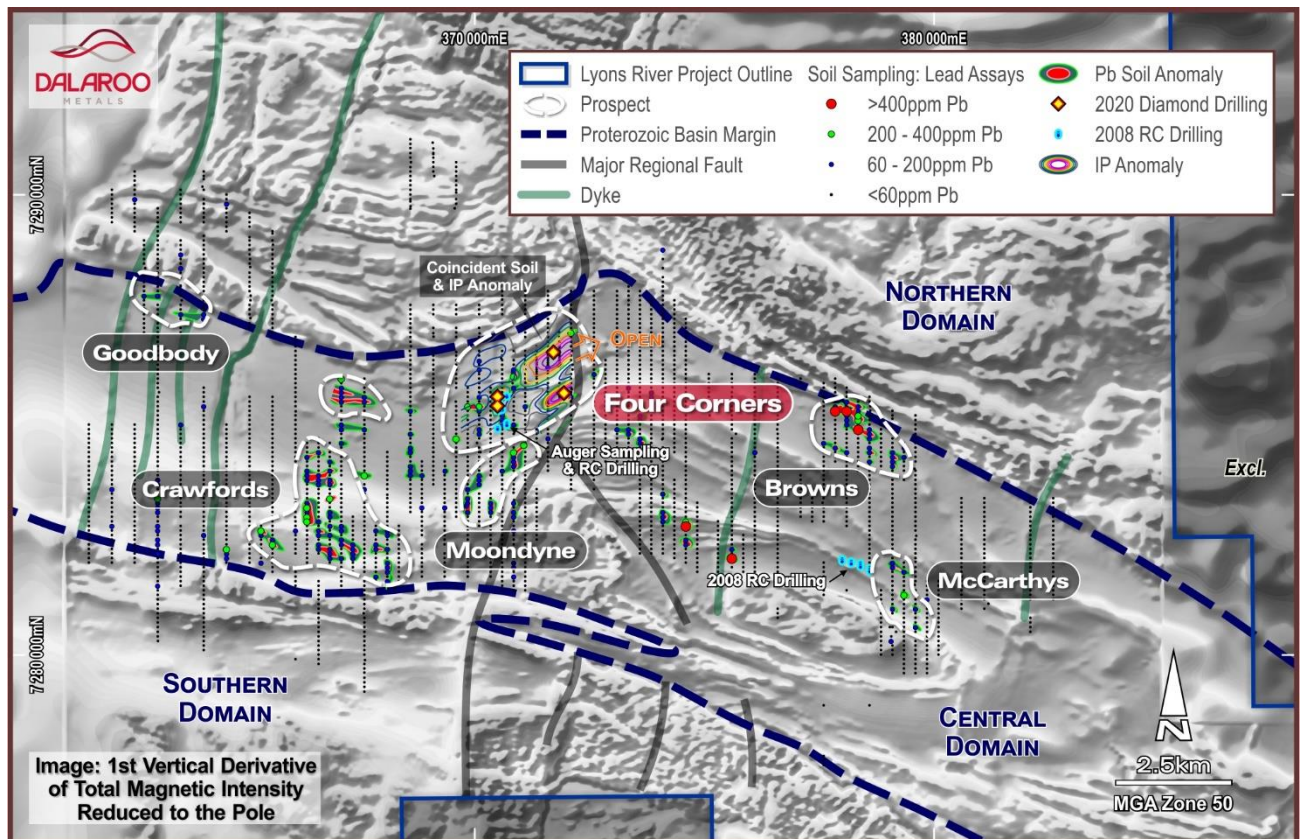


Figure 8: Lyons River, Four Corners prospect and new five Pb-Zn soil geochemical prospects /targets

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

As at the date of this report, the Company has the following securities on issue:

Security Type	Number
Fully Paid Ordinary Shares	54,000,000
Vendor Options - nil issue price exercisable at \$0.25 each and expiring on 28 September 2025	8,000,000
New Options – issue price of \$0.001 each, exercisable at \$0.25 each and expiring on 28 September 2024	5,000,000

No further shares or options were issued during the quarter

Listing Rule 5.3.4 Use of Funds

DAL was admitted to trading on ASX on 28 September 2021. The 31 December 2021 quarter is included in a period covered by a Use of Funds statement in a prospectus dated 26 August 2021 and lodged with ASX under Listing Rule 1.1 condition 3. A comparison of the Company's expenditure since listing against the estimated Use of Funds statement is set out below as required under Listing Rule 5.3.4.

Expenditure Item (\$'000)	Estimate for the first year after ASX Admission (\$'000)	Actual Use of Funds to 31 December 2021 (\$'000)	Variance Under/(Over) (\$'000)
Exploration – Namban Project	830	101	729
Exploration – Lyons River Project	1,035	258	777
Working Capital and Administration	836	446	390
Estimated expenses of the Offer	541	554	(13)
TOTAL	3,242	1,359	1,883

Financial Commentary

The Appendix 5B for the quarter ended 31 December 2021 provides an overview of the Company's financial activities. Exploration expenditure for the quarter was \$291K. Corporate and other expenditure for the quarter was \$341K. The total amount paid to Directors of the Company, their associates and other related parties was \$175K and includes salary and fees.

The Company's cash balance at the end of the quarter was \$3,861,004.

ENDS

For more Information:

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

Harjinder Kehal, Managing Director on +61 400 044 890

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.

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

ASX Releases during the December Quarter 2021

Date	Description
18 October 2021	Date of AGM and closing date for Director nominations
25 October 2021	Lyons River Drilling Results
28 October 2021	2021 Annual Report
28 October 2021	Corporate Governance Statement & Appendix 4G
29 October 2021	September Qtr Activities Statement & Appendix 5B
8 November 2021	Chairman's Cover Letter Notice of AGM
8 November 2021	Notice of Annual General Meeting/Proxy Form
15 November 2021	Maiden magnetic survey identifies multiple targets at Namban
16 November 2021	Maiden RC drilling commences at Lyons River
7 December 2021	High-Order PGE results at Namban Project
8 December 2021	Chairman's Address to Shareholders
8 December 2021	AGM Presentation
8 December 2021	Results of Meeting
10 December 2021	Retraction of Certain Statements
14 December 2021	Successful completion of RC drilling programme at Lyons River

About Namban

Namban Project comprises an under explored ground package totalling 437 km² located in the mid-north part of the wheatbelt region, deemed by Dalaroo to be prospective for magmatic intrusion related Ni-Cu-PGE deposits. The Company has a 100% controlling interest in the Namban Project, comprising six tenements extending from the townships of Moora in the south to Three Springs in the north (Figure 9).



Figure 9: Namban Project tenements location map.

About the Lyons River Project

Lyons River is located approximately 1,100km north of Perth and approximately 220 km to the north-east of the coastal town of Carnarvon, Western Australia. The Lyons River Project lies within the Mutherbukin Zone of the Gascoyne Province, which is the deformed and high-grade metamorphic core zone of the early Proterozoic Capricorn Orogen (Figure 10).

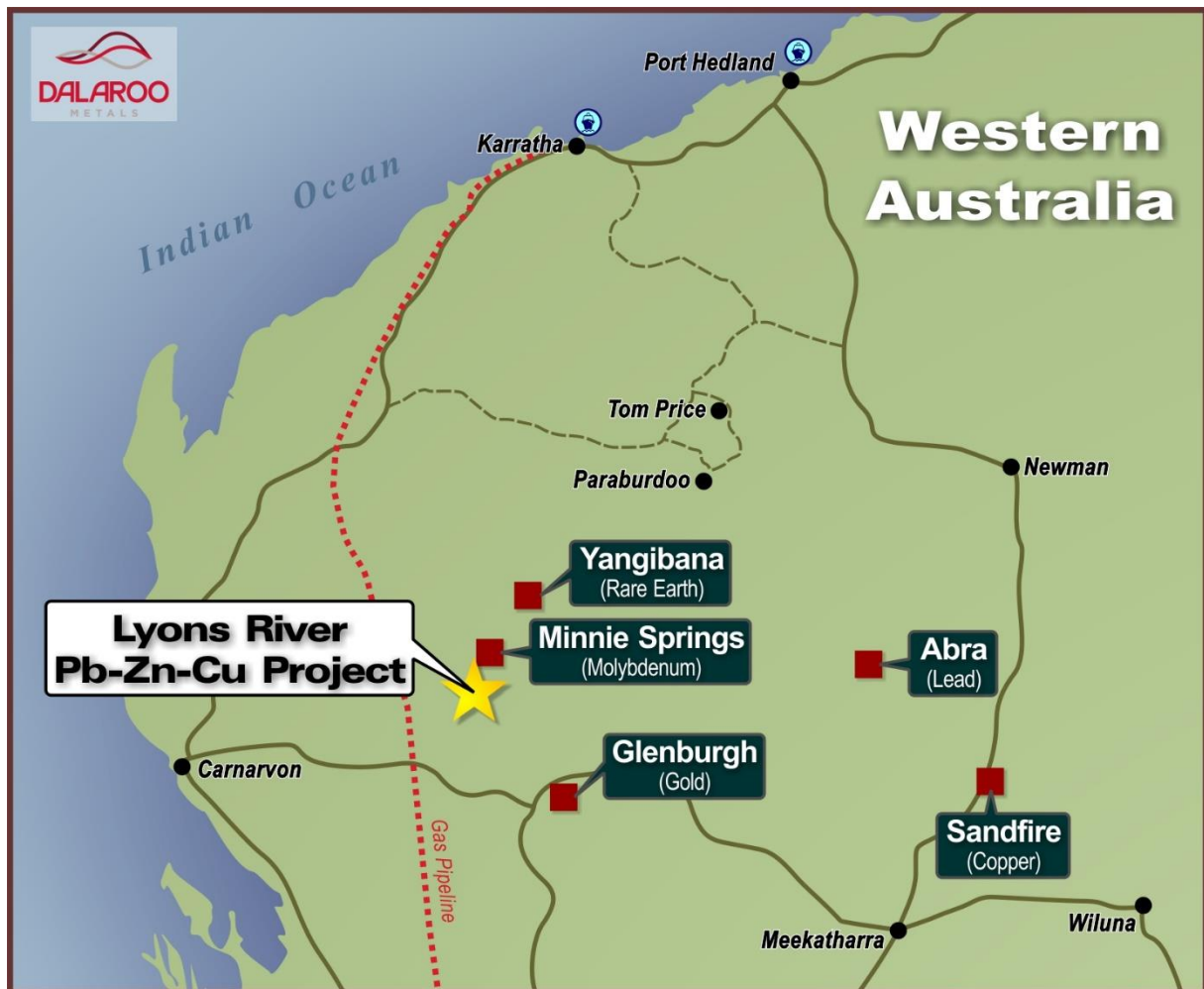


Figure 10: Lyons River Project location diagram

TENEMENT SCHEDULE AS AT 31 DECEMBER 2021

Project Name	Location	Tenement Licence	Interest held at 31 December 2021
Lyons River	WA	E09/1824	100%
Lyons River	WA	E09/1825	100%
Lyons River	WA	E09/2098	100%
Lyons River	WA	E09/2102	100%
Lyons River	WA	E09/2304	100%
Lyons River	WA	E09/2305	100%
Lyons River	WA	E09/2312	100%
Namban	WA	E70/4694	100%
Namban	WA	E70/4928	100%
Namban	WA	E70/5702	100%
Namban	WA	E70/5494	100%
Namban	WA	E70/5502	100%
Namban	WA	E70/5604	100%

Note: All the Tenement Licences are granted.

Appendix 1: Dalaroo Metals Ltd – UAV survey and geochemical sampling Namban 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	<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> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <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>	No drilling completed by Dalaroo. Auger samples collected from 0.6 – 1m depth with 0.5-1kg collected for assay. Magnetic survey locations were measured with a dual frequency GNSS receiver operating in autonomous mode, with x,y,z accuracies accurate to better than 1-2m. Elevations were derived using a laser altimeter. Entire sample is submitted for sample prep and assay. A UAV survey was conducted on 50m line spacing and 25m sensor height by Atlas Geophysics using PAS-H100 Rotary Wing helicopter. The magnetic data was collected using a Scintrex CS-VL Cesium Vapour magnetometer with the following parameters: • Sensitivity 0.0006nT sq rt RMS • Noise envelope 0.002nT peak to peak • Heading error +/- 0.25nT
Drilling techniques	<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>	No drilling results reported.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <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>	No drilling results reported. No drilling results reported. No drilling results reported.

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>	No drilling results reported. 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 core drilling completed. No core drilling completed. Sample preparation of samples follows industry best practice standards and is conducted by internationally recognized laboratories. Oven drying, jaw crushing and pulverising so that 90% passes -75 microns. No drilling results reported. Auger sampling completed on a regular grid spacings to ensure representative sampling of area being assessed. Entire sample submitted for assay.

Criteria	JORC Code explanation	Commentary
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>	Assay and laboratory procedures have been selected following a review of techniques provided by internationally certified laboratories. Dalaroo samples are submitted for multi-element analyses by Bureau Veritas using fire assay and 4-acid digest. The assay techniques used are total. Tie lines were flown to analyse the cross overs and assist with levelling the magnetic survey. Lab standards checked for accuracy and precision
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>	None undertaken. None drilled. All field data is 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. Magnetic survey locations were measured with a dual frequency GNSS receiver operating in autonomous mode, with x,y,z accuracies accurate to better than 1-2m. Elevations were derived using a laser altimeter. Grid system used for geochemical sampling is GDA94 Zone 50. Magnetic survey sample locations were collected and reported using the WGS84_UTM grid system. For geochemical sampling nominal RLs based on regional topographic data sets and handheld GPS. Magnetic survey altitude measurements were measured with a laser altimeter with accuracies better than 1cm.

Criteria	JORC Code explanation	Commentary
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>	First pass sampling on 200m X 100m 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>	The location within the Jimperding Metamorphic Belt where the magnetic surveys were undertaken includes an areas with N-S and NW-SE magnetic grain and cross-cutting magnetic bodies, and N-S and NW-SE faults. The survey grids are unbiased. No drilling results reported.
Sample security	<i>The measures taken to ensure sample security.</i>	Senior personnel supervise sampling and transport to assay laboratory in Perth. All magnetic data is digitally stored by the contractor and geophysical consultant.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	For geochemical sampling non completed Magnetic data has been independently checked by geophysical consultant Core Geophysics.

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 Namban Project tenements are wholly owned by Dalaroo. The Project is located 150km north of Perth on freehold land. Tenure in the form of Exploration Licences with standard 5-year expiry dates which may be renewed. 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>	No known exploration in Archaean age Jimperding Metamorphic Belt, area covered by Proterozoic rocks explored for potash with geological mapping and rock chip sampling. Government DMIRS 200m spaced airborne magnetics and radiometrics data has been included.

Criteria	JORC Code explanation	Commentary
Geology	<i>Deposit type, geological setting, and style of mineralisation.</i>	The primary mineralisation style being sought is nickel-copper-PGE (Ni-Cu-PGE) intrusive related deposits such as Julimar.
Drillhole information	<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> • <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> <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>	No drilling results reported. No drilling results reported.
Data aggregation methods	<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> <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> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No drilling results reported. No metal equivalent values have been reported.
Relationship between mineralisation widths and intercept lengths	<i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</i> <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>	No drilling results reported. No drilling results 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 diagrams are included in the main body of this 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>	Reporting of the magnetic results is considered 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>	No additional meaningful and material exploration data has been excluded from this 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).</i> <i>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>	Structural and geophysical integration of data. Infill and extension geochemical sampling. Geological/regolith mapping Drill testing (aircore and or RC percussion drilling) will be undertaken on priority targets identified. These diagrams are included in the main body of this report.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

DALAROO METALS LTD

ABN

23 648 476 699

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-291	-419
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-183	-183
	(e) administration and corporate costs	-158	-196
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-147	-168
1.9	Net cash from / (used in) operating activities	-779	-966
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-42	-42
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-42	-42

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	5,005
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-426	-539
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-426	4,466

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,106	402
4.2	Net cash from / (used in) operating activities (item 1.9 above)	-779	-966
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-42	-42
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-426	4,466

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,860	3,860

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,860	5,106
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,860	5,106

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	175
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
-		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	-779
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	-779
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,860
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,860
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.0
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 20 January 2022

Authorised by: The Board of Dalaroo Metals Ltd
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.