

Dalaroo Expands Blue Lagoon Exploration Model to Target Offshore Critical Minerals Potential

Dalaroo Metals Ltd (**ASX: DAL; OTCQB: DALMF**) (“**Dalaroo**” or “**the Company**”) is pleased to announce the expansion of its Blue Lagoon Rare Earth Project in south-west Greenland, following the securing of additional prospective licence areas adjacent to its existing tenure.

The expanded landholding strengthens Dalaroo’s position within a highly prospective coastal corridor for rare earth elements (REE), zirconium (Zr), niobium (Nb) and hafnium (Hf). The increased footprint provides greater scale across key geological targets and supports systematic evaluation of a potential district-scale critical minerals system.

This announcement builds on the Company’s recent expansion of the Blue Lagoon Project landholding and subsequent technical update, which confirmed a geological model consistent with a sediment-hosted critical minerals system associated with lagoon and drainage environments.

This expansion extends the model into adjacent nearshore and offshore environments, which are considered prospective for the continued transport and concentration of heavy minerals.

Highlights:

- Additional highly prospective licence area applied for adjacent to the Blue Lagoon Project
- Expansion targets coastal and shallow marine sedimentary environments
- Offshore areas interpreted as potential heavy mineral accumulation zones
- Positions Dalaroo to evaluate a potential district-scale sediment-hosted critical minerals system

Dalaroo’s CEO John Morgan commented:

“Expanding the Blue Lagoon Project is a logical step in testing the broader scale potential of this emerging system.

Our work indicates that mineralised sediments may extend beyond the lagoon into offshore environments, which are recognised as favourable settings for heavy mineral concentration.

This expansion positions Dalaroo to assess what could represent a significantly larger sediment-hosted critical minerals system.”

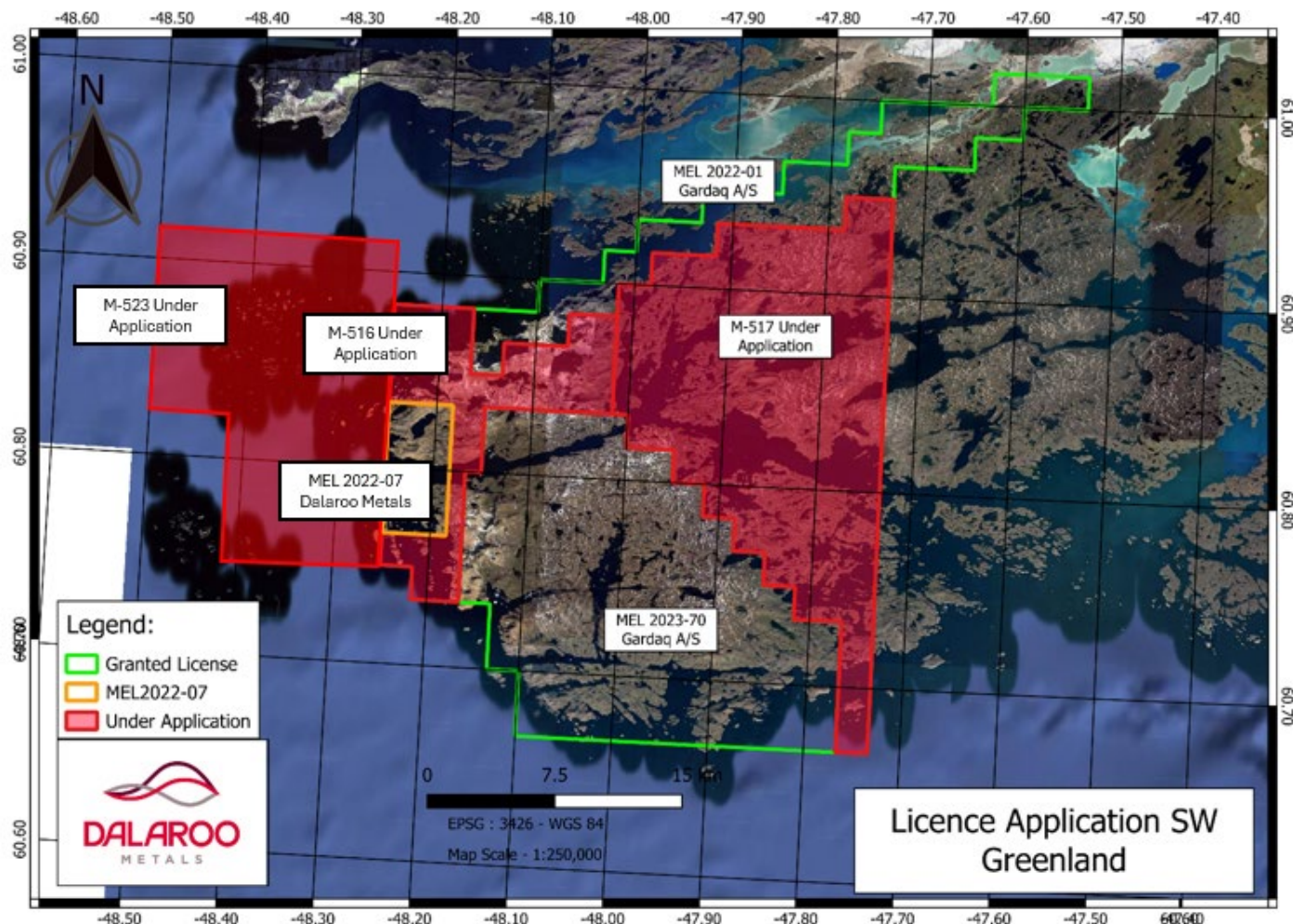


Figure 1. Map of Dalaroo's Blue Lagoon Project with exploration licenses application M-516, M- 517 and M-523 shown in red. Gardaq A/S licenses shown in green.

For more information about Dalaroo, please follow the link: [Click Here.](#)

Rationale for Licence Expansion

The decision to expand the Blue Lagoon Project into adjacent offshore areas is supported by recent exploration results and geological interpretation^{1,2}, which identified elevated zirconium and associated critical minerals within lagoon and drainage sediments. The spatial distribution of anomalism, particularly along drainage pathways exiting the lagoon, indicates continued transport of mineralised material from upstream alkaline source rocks.

These drainage systems act as conduits, moving weathered material from surrounding alkaline and granitic terrains through the lagoon and toward the coast. As transport energy decreases, dense heavy minerals are expected to settle and concentrate within favourable depositional environments.

Accordingly, adjacent nearshore and shallow marine settings are considered prospective for the accumulation of heavy mineral-rich sediments. Offshore environments represent the next logical extension of this system, acting as effective traps where hydraulic sorting processes may result in further concentration and potential natural upgrading of heavy minerals.

The licence expansion has been targeted to capture these downstream depositional environments and enable evaluation of a broader sediment-hosted critical minerals system.

Blue Lagoon – Sediment Transport to Offshore Environment (Conceptual)

THE PROCESS

A conceptual model illustrating how weathering, drainage and coastal processes can transport heavy minerals from source rocks into the ocean, where they may accumulate.

1 Weathering at Source

Alkaline and granitic rocks weather and release heavy minerals such as zircon.

2 Transport Through Drainage

Rain and runoff carry sediments, including heavy minerals, into natural drainage channels.

3 Concentration in Lagoon

Within the lagoon, lower energy allows heavier minerals settle and accumulate.

4 Transport to Ocean

Sediments flow through coastal environments into shallow offshore marine settings.

5 Accumulation Offshore

As energy decreases on the seafloor, dense heavy minerals settle and concentrate in nearshore and shallow marine sediments.

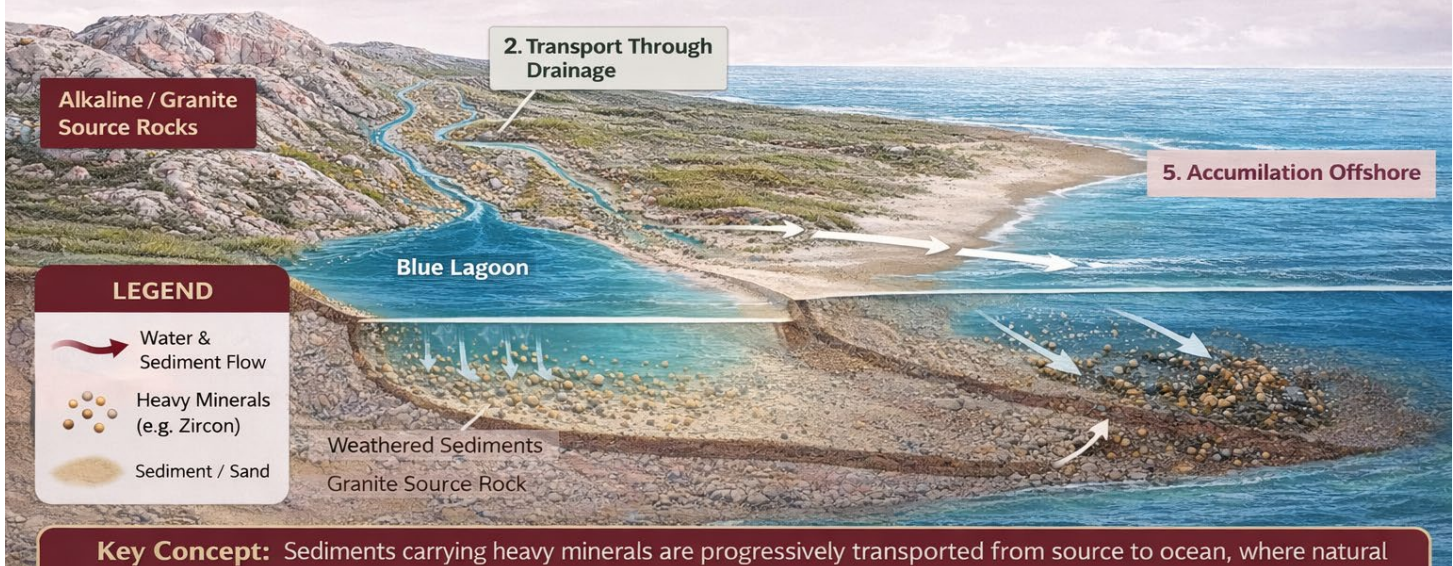


Figure 2. Conceptual cross-section illustrating sediment transport pathways from elevated source rocks to lagoon and offshore depositional environments. (Conceptual only.)

Offshore Exploration Potential

Recent exploration results highlight the potential for heavy mineral concentration within downstream environments associated with the Blue Lagoon system.

Geochemical results, supported by geological interpretation, suggest mineralised sediments may extend beyond the lagoon into adjacent nearshore and shallow marine settings.

These environments are recognised as favourable depositional settings where dense minerals, including zircon-bearing phases, may accumulate under reduced energy conditions.

Strategic Licence Expansion

The expansion consolidates Dalaroo's landholding across a broader coastal system prospective for sediment-hosted critical minerals system.

The newly applied areas cover extensions of key drainage pathways and coastal depositional environments considered favourable for heavy mineral accumulation derived from upstream alkaline intrusive sources.

This expanded footprint positions the Company to assess the scale and continuity of the mineral system beyond the lagoon.

Planned Exploration Activities

Dalaroo is evaluating a range of low-impact exploration techniques to assess offshore potential, including:

- Seabed sediment sampling programs (including Van Veen grab sampling)
- Bathymetric and depth profiling surveys
- Additional geochemical sampling across coastal and nearshore environments

The objective of this work is to determine whether the Blue Lagoon system extends into a broader sediment-hosted critical minerals system with potential for district-scale continuity.

Jurisdictional Significance

The Blue Lagoon Project aligns with Dalaroo's strategy to build exposure to critical minerals within stable and globally significant jurisdictions.

Greenland is increasingly recognised as an emerging supplier of critical minerals, including rare earth elements, niobium and zirconium, supported by favourable geology and a developing regulatory framework.

Growing global focus on supply chain security highlights the importance of new, transparent and responsibly sourced mineral provinces. Within this context, Blue Lagoon provides exposure to a region attracting increasing strategic interest.

Early-stage exploration has identified geological characteristics considered prospective for critical minerals, supporting continued systematic evaluation.

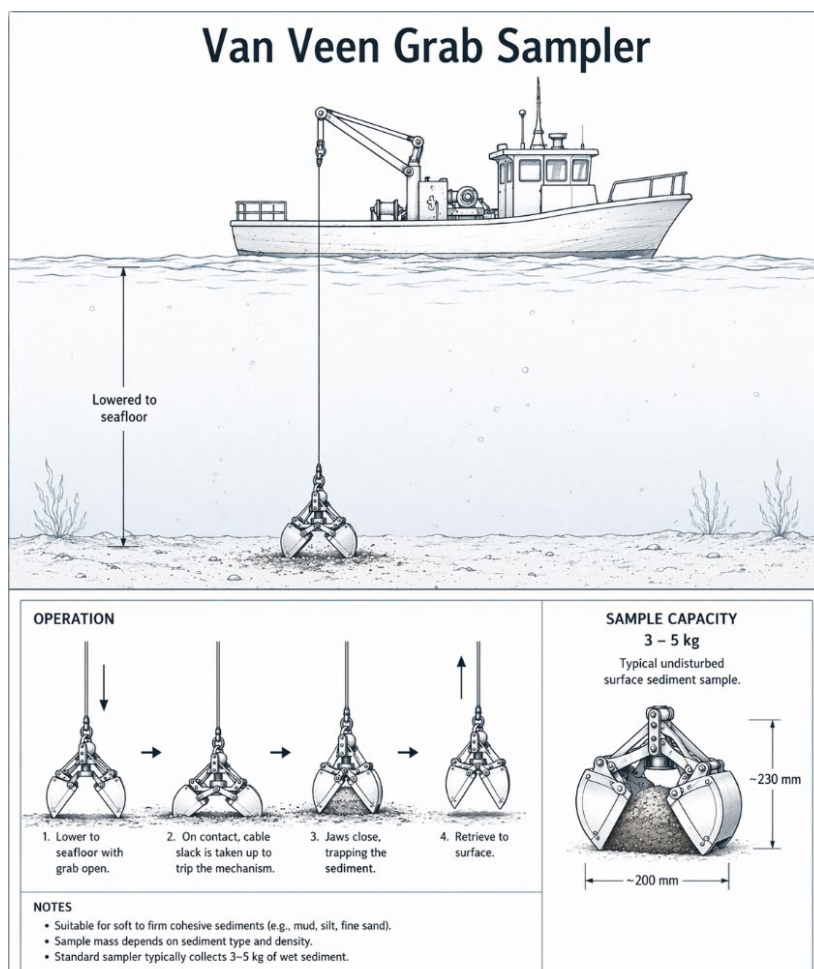


Figure 3. Schematic of how a Van Veen grab sampler works from the back of a vessel.

Management Commentary

Exploration Manager – Greenland and Western Australia, Trystan Hughes, commented:

“Our current geological model, developed from recent sampling and interpretation, supports the transport of heavy mineral-rich sediments beyond the lagoon into downstream environments.

The expansion into offshore areas represents a logical next step in testing this model, particularly where reduced energy conditions may facilitate further concentration.

This work will help refine our understanding of the scale and continuity of the broader sediment-hosted system.”

Reference:

1. Refer to ASX Announcement (DAL), “Sampling Reveals District Scale Critical Minerals – Greenland”, 16 January 2026.
2. ASX Announcement (DAL), “Dalaroo Appoints Exploration Manager and Provides Blue Lagoon Technical Update”, 20 April 2026.

This announcement has been authorised for release to the ASX by the Company's Board of Directors.

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For more Information:

Please visit our website for more information: [Dalaroo Metals Website](#)

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About Dalaroo Metals

Dalaroo Metals Limited is an ASX-listed exploration company focused on the discovery and development of high-quality gold and critical minerals projects across Australia and international jurisdictions.

The Company's portfolio includes the **Blue Lagoon Project** in south-west **Greenland**, prospective for rare earth elements (REE), zirconium and niobium, a growing suite of gold exploration assets in **Côte d'Ivoire** located within the highly endowed Birimian Greenstone Belt of West Africa, and the **Lyons River Project** and **Namban Project** in Western Australia.

Dalaroo's strategy is to systematically advance its projects through modern exploration techniques, resource definition and strategic partnerships, with a strong focus on value creation for shareholders. The Company is committed to responsible exploration, strong corporate governance and building long-term stakeholder relationships in the regions in which it operates.

Competent Persons Statement

The information in this report that relates to exploration results is based on information compiled by John Morgan, a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and the CEO of Dalaroo Metals Ltd. Mr Morgan has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity 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 (JORC Code). Mr Morgan 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 Statements

This announcement contains forward-looking statements which are based on current expectations, assumptions, estimates and projections. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those expressed or implied. These risks include, but are not limited to, exploration success, geological interpretation, commodity price fluctuations, regulatory approvals, permitting timelines, operational risks and market conditions.

Any statements regarding potential mineralisation, exploration targets, grades, scale or development concepts are conceptual in nature and based on early-stage surface sampling only. These statements do not constitute, and should not be construed as, a Mineral Resource or Ore Reserve estimate as defined under the JORC Code. References to peer projects, market pricing, strategic significance or potential future development pathways are provided for contextual purposes only and should not be interpreted as a forecast of future performance or valuation. Commodity pricing information is indicative only, subject to market volatility and should not be relied upon as a projection of future prices. Investors are cautioned not to place undue reliance on forward-looking statements. Dalaroo Metals Limited undertakes no obligation to update or revise any forward-looking statements, except as required by law.

The Company confirms it is not aware of any new information or data that materially affects the information included in this announcement.