DALY RESOURCES

ASX ANNOUNCEMENT

18 SEPTEMBER 2026

NEW GEOCHEMICAL RESULTS EXPAND HUCKITTA FLUORITE TARGET AREA

HIGHLIGHTS

- New results confirm the Huckitta fluorite system is significantly larger than previously understood, expanding both east and west of the current priority target area
- Soil sampling defines strong fluorine-in-soil anomalism well beyond known outcrop, including beneath transported cover, substantially expanding the prospective footprint of the system
- New high-grade rock chips extend the fluorite system further west, adding new targets for follow-up
- A regional soil survey will now map the full extent of the system and rank the strongest targets ahead of Daly's maiden drilling campaign

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Daly Resources Limited (ASX: **DLY**, "**Daly**" or the "**Company**") is pleased to provide an update on exploration at its 100%-owned Huckitta Fluorite Project in the Northern Territory, where new rock-chip assays and results from a soil line designed to traverse the entirety of the prospective stratigraphy show the fluorite system extends well beyond the limits of known surface mineralisation and previous rock-chip sampling.

The results further demonstrate the potential scale of the Huckitta fluorite system beyond what was previously identified by surface rock-chip sampling, with coherent fluorine-in-soil anomalism identified across areas of limited or no outcrop. A new fluorite-bearing vein identified through rock-chip sampling has also extended the known fluorite system further to the west.

The Company will now undertake a regional-scale soil geochemistry programme to systematically define the broader fluorite system, identify areas of higher vein concentration and continuity, and distinguish the highest-priority targets for the maiden drilling campaign at the Huckitta fluorite project.

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Executive Chairman Mike Edwards commented:

"These results are a significant step forward in our understanding of Huckitta, and support our view that this fluorite system is considerably larger than what we've been able to see at surface. Until now, our picture of Huckitta has largely been defined by the fluorite veins we can physically see and sample. What these soil results tell us is that the system extends well beyond that - including into areas with no outcrop at all - and that the true scale of Huckitta may be substantially greater than previously understood.

"This is an important validation of our exploration strategy. Soil geochemistry has proven itself as an effective tool for tracing this system under cover, and we will now roll out a systematic regional soil survey across the broader prospective geology. Combined with our rock-chip sampling, geological mapping and recently acquired high-resolution aeromagnetic data, this work will allow us to properly define the scale of the system and rank the highest-priority targets ahead of our maiden drilling campaign.

"Our aim is to identify the strongest parts of the system - particularly areas where multiple fluorite-bearing veins may be stacked or concentrated within favourable structural positions and demonstrate continuity along strike. This integrated approach will allow us to systematically rank targets and focus our maiden drilling campaign on those offering the strongest combination of grade, vein concentration, structural continuity and scale."

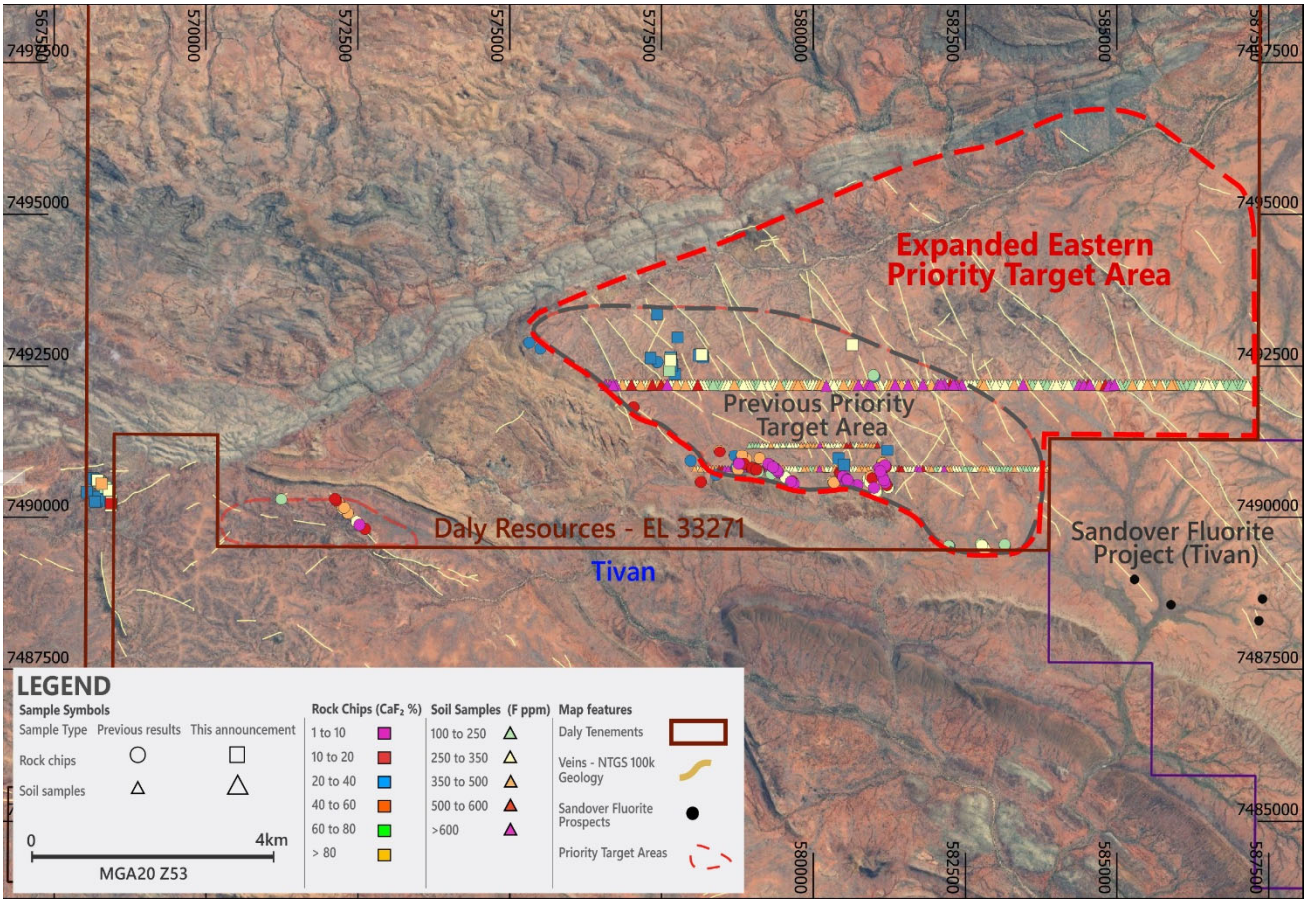

Figure 1: New CaF_2 rock-chip and fluorine soil results, with previously reported geochemistry results from Huckitta. See Figure 2 for a close-up of the eastern priority target area, where the planned soil survey will be focused.

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DISCUSSION OF RESULTS

Assay results have now been received from the 10.7 km-long northern soil traverse, designed to test the potential northern extension of fluorite-bearing veins previously identified in outcrop (Figure 2). The traverse is located approximately 1.3 km north of the main cluster of known fluorite veins and extends east beyond the limits of known vein outcrop on Daly's tenure, representing a significant step-out from known fluorite mineralisation and testing a broader section of the prospective stratigraphy.

The programme has defined multiple coherent fluorine-in-soil anomalies, several of which appear to support the potential along-strike continuation of known fluorite-bearing trends. Importantly, anomalism extends beyond the limits of known fluorite outcrop and through areas of surface cover, while new anomalous zones toward the eastern end of the traverse represent high-priority areas for follow-up exploration.

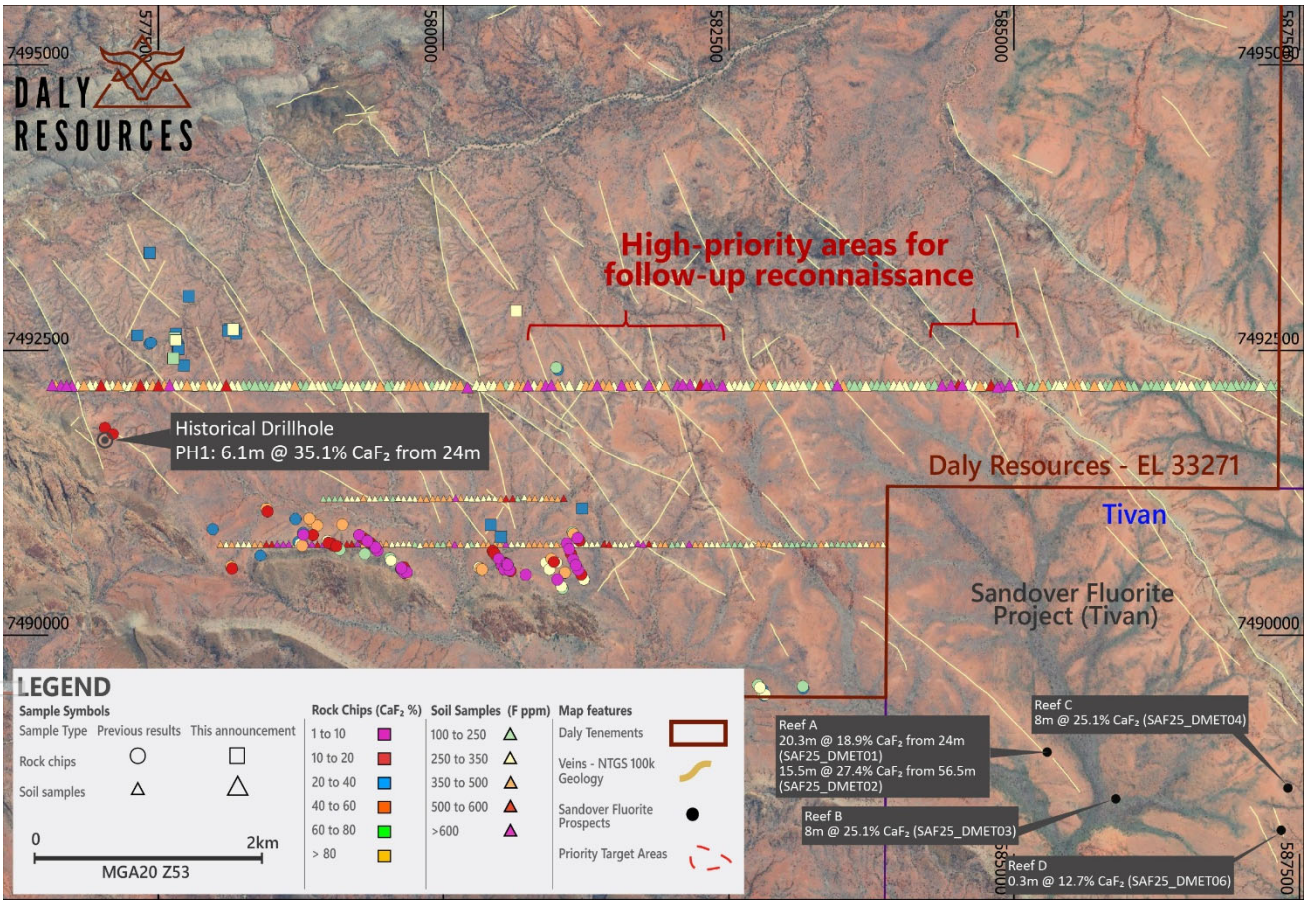

Figure 2: Map showing closer view of eastern priority target area highlighting the new fluorine-anomalous areas that require on ground follow-up. Results in the southeast are from Tivan drilling within Tivan tenure.

Several of the fluorine anomalies are accompanied by elevated thorium and an associated suite of elements including tin, niobium, tungsten, rubidium and beryllium. This geochemical association is interpreted as potentially representing the broader footprint of an evolved, fluorine-rich hydrothermal system associated with the known fluorite mineralisation. While the soil results do not directly demonstrate the presence of fluorite

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beneath individual anomalies, they provide an effective targeting tool for identifying prospective structures and areas where fluorite-bearing veins may extend beneath cover.

Collectively, the results indicate that the prospective footprint of the Huckitta fluorite system may be substantially broader than that defined by exposed fluorite veins alone and demonstrate the effectiveness of soil geochemistry as a tool for extending exploration into areas of limited or no outcrop.

The latest round of rock-chip sampling has also identified a further fluorite-bearing vein to the west of the previously defined Priority Target Area, extending confirmed fluorite-bearing geology into an area not previously recognised as part of the principal target footprint.

The combination of confirmed surface fluorite mineralisation, coherent fluorine-in-soil anomalism and supporting multi-element geochemistry provides a strong basis for expanding exploration across the broader prospective area. The next phase of work will focus on defining the continuity, distribution and concentration of fluorite-bearing structures, with results to be integrated with geological and geophysical datasets to systematically rank targets for follow-up and maiden drilling.

NEXT STEPS

With soil geochemistry now demonstrated as an effective tool for target generation, Daly will undertake a systematic regional soil survey grid across the entire prospective basement geology within Daly's tenure. The soil results will be integrated with the recently completed high-resolution magnetic and radiometric surveys, providing a more comprehensive understanding of the structural controls on fluorite mineralisation and the broader architecture of the Huckitta system. In particular, the Company will seek to identify areas where multiple fluorite-bearing veins may be concentrated or stacked within favourable structures, with evidence of continuity and consistency of mineralisation along strike.

The ultimate objective is to define the highest priority targets for the Company's maiden drilling programme and determine whether the extensive surface fluorite occurrences form part of a larger, structurally controlled system with significant subsurface continuity.

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AUTHORISATION

This announcement has been authorised for release by the Board of Daly Resources Limited.

FOR FURTHER INFORMATION

For further information please visit our website at https://dalyresources.com.au/ or contact:

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ABOUT DALY RESOURCES LIMITED

Daly Resources Limited (ASX: DLY) holds a portfolio of exploration projects covering more than 6,500 km² of granted tenure across the Northern Territory. The Company is exploring for fluorite, copper and zinc across three project areas: Huckitta, Broughton and Batten.

The Huckitta Project covers approximately 3,812 km² and is prospective for both fluorite and sediment-hosted copper mineralisation. Fluorite mineralisation at Huckitta is associated with the Huckitta/Sandover fluorite corridor, while the project also includes copper targets associated with prospective Georgina Basin stratigraphy.

The Broughton Project covers approximately 1,581 km² within the McArthur Basin and is targeting sediment-hosted copper-zinc mineralisation across a large, underexplored project area with prospective stratigraphy and widespread base metal anomalism.

The Batten Project covers approximately 1,124 km² and also lies within the McArthur Basin. Batten is prospective for SEDEX-style zinc-copper mineralisation associated with the Batten Fault Zone and is located near the major McArthur River (HYC) and Teena zinc deposits.

Collectively, Daly's portfolio provides exposure to district-scale discovery potential across multiple commodities and deposit styles within some of Australia's most prospective yet underexplored mineral provinces.

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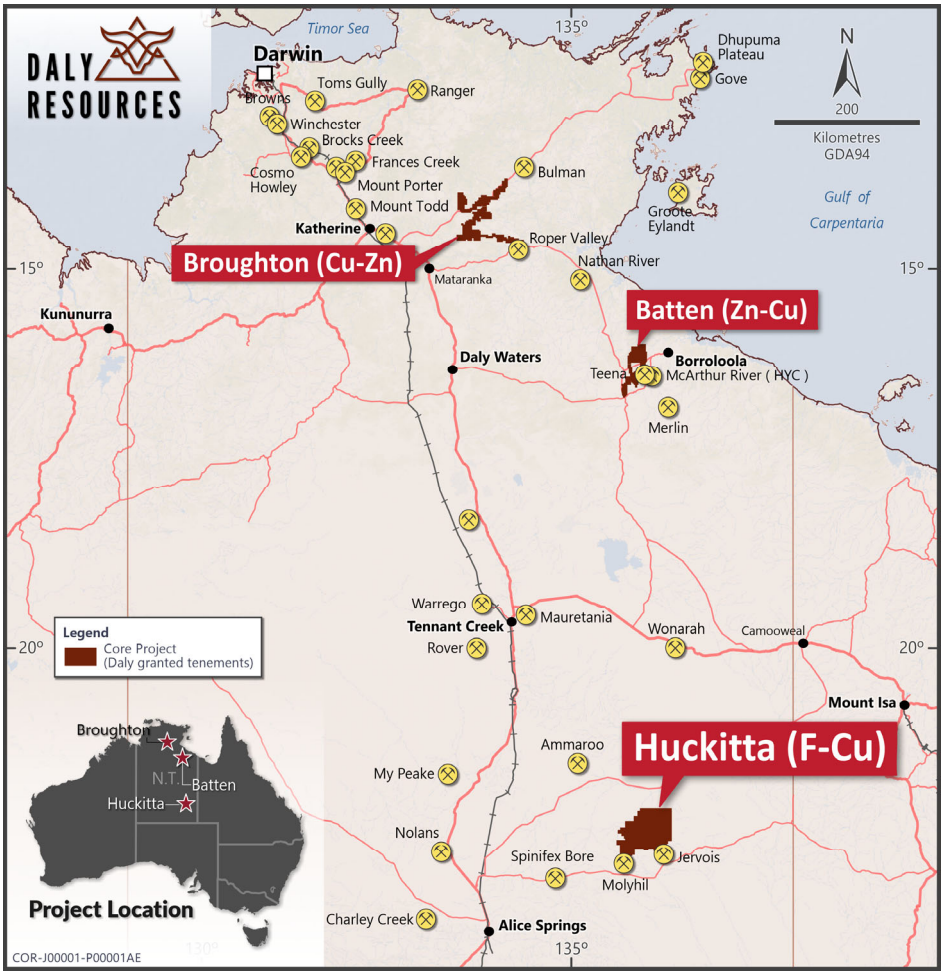

Map showing locations of Daly Resources projects

Competent Persons Statement

The information in this announcement relating to Exploration Results is based on information compiled by Mr Daniel Greene, Exploration Manager and employee of Daly Resources Limited. Mr Greene is a Member of the Australasian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and deposit type under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 JORC Code. Mr Greene consents to the inclusion in this report of the matters based on his information, in the form and context in which they appear.

Forward Looking Statement

This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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Previously Reported Information

Previously reported exploration results relating to the Huckitta Fluorite Project referred to in this announcement have been reported in the Company's Prospectus dated 27 April 2026 and subsequent ASX announcements dated 30 June, 15 July, 22 July and 18 August 2026. The Company confirms that it is not aware of any new information or data that materially affects the information included in those previous disclosures.

Exploration Results relating to Tivan Limited's adjoining Sandover Fluorite Project shown in Figure 2 were previously reported by Tivan Limited (ASX: TVN) in its ASX announcement dated 11 February 2026, titled "Tivan delivers maiden drilling results at Sandover Fluorite". Daly has not independently verified those results and they are included for regional geological context only.

Appendix A – Rock Chip Assay Results

Sample ID	Easting (MGA2020 Z53)	Northing (MGA2020 Z53)	CaF2 (%)	As (ppm)	S (%)	P2O5 (%)	SiO2 (%)	CaO (%)	F (%)
26DL0036	584913	7493245	<0.1	1.0	<0.05	0.023	90.32	0.08	<0.1
26DL0037	580621	7492876	0.6	4.7	0.06	0.005	96.42	0.75	0.3
26DL0038	580638	7492847	20.3	6.5	<0.05	0.022	73.50	15.71	9.9
26DL0039	579971	7493083	<0.1	0.9	<0.05	0.010	92.82	0.05	<0.1
26DL0040	579327	7493630	<0.1	2.1	0.13	0.003	95.33	0.04	<0.1
26DL0041	577317	7492633	6.4	1.4	<0.05	0.109	74.49	5.31	3.1
26DL0042	577657	7492585	7.8	0.5	<0.05	0.078	68.78	6.19	3.8
26DL0043	577653	7492592	39.5	0.7	<0.05	0.030	49.85	30.56	19.2
26DL0044	577645	7492613	10.9	0.8	<0.05	0.085	71.39	8.38	5.3
26DL0045	577656	7492648	1.2	<0.5	<0.05	0.099	75.99	0.81	0.6
26DL0046	577666	7492552	0.8	0.7	0.06	0.096	76.27	0.73	0.4
26DL0047	577669	7492541	1.8	0.7	<0.05	0.086	76.94	1.56	0.9
26DL0048	577674	7492524	4.3	1.0	<0.05	0.089	74.82	3.52	2.1
26DL0049	577677	7492512	8.0	1.5	<0.05	0.142	71.10	6.30	3.9
26DL0050	577633	7492431	17.1	3.6	0.07	0.030	74.23	13.17	8.3
26DL0051	577724	7492369	1.4	0.7	<0.05	0.075	73.95	1.18	0.7
26DL0052	577874	7492375	0.8	0.6	<0.05	0.096	74.91	0.76	0.4
26DL0053	578026	7492432	<0.1	1.2	<0.05	0.063	85.69	0.09	<0.1
26DL0054	578117	7492676	5.8	<0.5	<0.05	0.055	76.83	4.26	2.8
26DL0055	578131	7492688	3.1	0.9	<0.05	0.096	87.97	2.66	1.5
26DL0056	578161	7492688	38.0	0.7	<0.05	0.043	57.69	29.28	18.5
26DL0057	578173	7492674	6.0	1.6	<0.05	0.037	88.77	4.73	2.9
26DL0058	578188	7492645	2.9	1.1	<0.05	0.019	94.48	2.37	1.4

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Sample ID	Easting (MGA2020 Z53)	Northing (MGA2020 Z53)	CaF2 (%)	As (ppm)	S (%)	P2O5 (%)	SiO2 (%)	CaO (%)	F (%)
26DL0059	578210	7492605	<0.1	6.5	0.07	0.028	93.97	0.17	<0.1
26DL0060	578101	7492759	0.6	0.5	0.06	0.016	94.30	0.73	0.3
26DL0061	577720	7492989	<0.1	2.6	0.08	0.039	92.39	0.03	<0.1
26DL0062	577766	7492974	7.0	1.5	<0.05	0.112	79.19	5.43	3.4
26DL0063	577425	7493356	1.4	1.7	<0.05	0.038	93.06	1.09	0.7
26DL0064	568142	7490640	2.1	1.1	<0.05	0.085	83.03	2.23	1.0
26DL0065	568157	7490634	1.6	<0.5	<0.05	0.074	83.15	1.53	0.8
26DL0066	568191	7490620	8.0	0.5	<0.05	0.095	78.04	5.36	3.9
26DL0067	568209	7490612	22.6	0.6	<0.05	0.092	58.67	17.46	11.0
26DL0068	568225	7490599	16.0	0.9	<0.05	0.123	67.30	12.81	7.8
26DL0069	568246	7490583	14.8	<0.5	<0.05	0.069	72.71	11.25	7.2
26DL0070	568255	7490574	14.6	1.6	<0.05	0.082	73.00	11.24	7.1
26DL0071	568269	7490561	13.4	<0.5	<0.05	0.046	72.08	10.31	6.5
26DL0072	568277	7490555	50.1	<0.5	<0.05	0.022	44.95	37.99	24.4
26DL0073	568293	7490537	15.2	0.7	<0.05	0.056	73.97	11.89	7.4
26DL0074	568331	7490512	0.2	0.5	<0.05	0.034	94.68	0.07	0.1
26DL0075	568341	7490496	16.6	0.5	<0.05	0.088	68.74	12.84	8.1
26DL0076	568358	7490481	8.8	0.6	<0.05	0.054	83.80	6.91	4.3
26DL0077	568380	7490462	3.3	0.6	<0.05	0.089	80.65	3.01	1.6
26DL0078	568396	7490446	25.1	0.9	<0.05	0.031	69.52	19.60	12.2
26DL0079	568190	7490272	2.3	0.5	<0.05	0.020	76.43	1.93	1.1
26DL0080	568162	7490274	1.2	0.6	<0.05	0.176	74.30	1.34	0.6
26DL0081	568229	7490262	<0.1	<0.5	<0.05	0.069	36.25	17.08	<0.1
26DL0082	568190	7490247	2.1	0.9	<0.05	0.122	72.86	1.87	1.0
26DL0083	568169	7490261	9.0	0.6	<0.05	0.148	64.92	7.64	4.4
26DL0084	568218	7490337	4.9	0.7	<0.05	0.106	69.12	4.18	2.4
26DL0085	568040	7490416	8.0	0.7	<0.05	0.101	71.19	6.22	3.9
26DL0086	568358	7490260	1.4	1.0	<0.05	0.150	74.23	1.13	0.7
26DL0087	568442	7490282	12.9	<0.5	<0.05	0.008	69.10	10.27	6.3
26DL0088	568424	7490270	6.0	<0.5	<0.05	0.048	70.63	4.41	2.9
26DL0089	568437	7490248	31.6	0.7	<0.05	0.121	50.39	24.48	15.4
26DL0090	568435	7490225	74.2	<0.5	<0.05	0.036	18.68	56.41	36.1

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Sample ID	Easting (MGA2020 Z53)	Northing (MGA2020 Z53)	CaF2 (%)	As (ppm)	S (%)	P2O5 (%)	SiO2 (%)	CaO (%)	F (%)
26DL0091	568432	7490185	39.9	0.6	<0.05	0.039	47.68	30.24	19.4
26DL0092	580193	7491066	0.8	0.8	<0.05	0.010	96.84	0.81	0.4
26DL0093	580505	7490861	1.4	<0.5	0.05	0.005	96.01	1.22	0.7
26DL0094	580415	7490965	1.4	2.1	<0.05	0.004	95.94	1.19	0.7
26DL0095	580642	7490889	0.2	1.6	<0.05	0.111	95.79	0.36	0.1
26DL0096	581216	7491109	1.6	1.8	<0.05	0.037	92.00	1.22	0.8
26DL0097	581308	7491058	<0.1	<0.5	0.06	0.028	97.71	0.04	<0.1
26DL0098	581357	7490896	<0.1	2.8	<0.05	0.037	96.59	0.20	<0.1
26DL0099	581360	7490888	<0.1	20.5	<0.05	0.059	89.73	0.07	<0.1
26DL0100	581444	7490748	0.4	6.8	<0.05	0.015	95.22	0.33	0.2
26DL0101	582141	7491240	<0.1	1.2	0.07	0.023	96.20	0.08	<0.1
26DL0102	581383	7492131	<0.1	2.9	<0.05	0.009	96.04	0.02	<0.1
26DL0103	581455	7491928	<0.1	0.9	0.06	0.020	97.13	0.06	<0.1
26DL0104	579145	7494360	<0.1	0.8	<0.05	0.015	95.69	0.19	<0.1

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JORC Code 2012 Table 1

Section 1 – Sampling Techniques and Data		
Criteria	**JORC Code explanation**	**Commentary**
Sampling techniques	• *Nature and quality of sampling (eg 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 XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Rock-chip samples were collected by Daly Resources geologists during reconnaissance work within EL33271 at the Huckitta Project. Samples were collected from outcropping fluorite veins and associated mineralised exposures. Sampling focused on areas of visible fluorite mineralisation. Individual samples typically comprised representative grab or chip samples collected from exposed mineralised outcrop using a geological hammer. • Soil samples were collected by Daly Resources across the priority target area to test for geochemical anomalism associated with fluorite mineralisation in areas lacking outcrop. Samples were collected from shallow hand-dug sample pits at depths of approximately 8cm to 20cm below surface, with field observations of surface lithology, float and vegetation cover recorded at each site.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• No drilling has been undertaken as part of the exploration programme reported in this announcement.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias*	• No drilling has been undertaken as part of the exploration programme reported in this announcement.

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	may have occurred due to preferential loss/gain of fine/coarse material.	
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• No drilling has been undertaken as part of the exploration programme reported in this announcement.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Rock-chip samples collected were collected manually from outcrop using a geological hammer. Samples were placed into labelled calico sample bags and transported to the laboratory for analysis. Samples were submitted to Intertek Genalysis Laboratories, Adelaide for preparation and on to Perth for analysis, where standard laboratory sample preparation procedures were applied prior to analysis. • Soil samples were collected from shallow hand-dug sample pits and placed into labelled calico sample bags for transport to the laboratory, where standard laboratory sample preparation procedures were applied prior to analysis, consistent with the procedures applied to rock-chip samples.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Rock-chip samples collected were analysed by Intertek Genalysis Laboratories in Perth, Western Australia, an independent commercial laboratory. Multi-element analysis was completed using Intertek method 4A/MS48, involving a multi-acid digest (hydrofluoric, nitric, perchloric and hydrochloric acids) in Teflon tubes followed by ICP-MS analysis. Major element analysis including fluorite determinations was completed using Intertek method FB1/XRF55, involving fused disk preparation followed by X-ray fluorescence (XRF) spectrometry. These analytical techniques are considered appropriate for the determination of major and trace elements in fluorite-bearing samples. • Soil samples were analysed by Intertek Genalysis Laboratories using method 4A/MS48 (multi-acid digest ICP-MS) for multi-element determination (including Ba), consistent with the method applied to rock-chip samples. Fluorine in soil samples was determined using Intertek method FC7/SIE (ion-selective electrode), which is considered more appropriate than the XRF method used for rock-chip samples given the lower, ppm-level fluorine concentrations typical of soil samples. CaF2 values for soil samples were calculated from the SIE fluorine result using the same stoichiometric conversion (CaF2 = F x 2.0549) applied to rock-chip

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		samples, and are reported in ppm given the lower concentrations observed.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Soil and rock chip sampling was undertaken by Daly Resources geological staff and sample locations were recorded in the field.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Sample locations for soils and rock-chip samples collected by Daly were recorded in the field using hand-held GPS units. Coordinates were recorded in GDA2020 MGA Zone 53. Location accuracy for hand-held GPS units is typically ±5 metres.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• The rock-chip sampling programme completed by Daly was reconnaissance in nature and designed to test outcropping fluorite occurrences outside of those areas already known to be mineralised. Sample spacing was variable and controlled by the distribution of exposed mineralisation rather than a systematic grid. The sampling density is considered appropriate for early-stage exploration but is not suitable for Mineral Resource estimation. • The soil sampling programme comprised a single 10.7km long east-west traverse across the eastern priority target area. Sample spacing along the traverse line was approximately 50m. This spacing is considered appropriate to identify broad zones of geochemical anomalism at an early exploration stage but is not sufficient to establish grade or geological continuity for the purposes of Mineral Resource estimation.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• Daly rock-chip samples targeted exposed fluorite veins. Samples were collected from surface exposures and therefore do not represent true thickness of the mineralised structures. The orientation of sampling is not considered to introduce significant sampling bias given the reconnaissance nature of the programme. • Soil traverse lines were oriented east-west, perpendicular to the interpreted strike of the fluorite vein corridor to test for across-strike continuity of geochemical anomalism, including beneath areas of surface cover. This orientation is considered appropriate for testing along-strike and across-strike anomalism at reconnaissance scale.
Sample security	• *The measures taken to ensure sample security.*	• Soil and rock chip samples were collected by Daly and transported by Daly personnel. Samples were placed in sealed sample bags and transported to the laboratory by commercial freight. The laboratory maintains standard chain-of-custody procedures once samples are received.

Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Relevant reviews have been summarised in each section of the report.

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DALY RESOURCES

Section 2 – Reporting of Exploration Results		
Criteria	**JORC Code explanation**	**Commentary**
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Huckitta Project consists of 10 granted exploration licences covering 3,812km2 and is owned 100% by Daly subsidiaries Daly Tenements Pty Ltd and Glyde River Pty Ltd. • Currently the Project Tenements are in good standing. There are no known impediments to obtaining licences to operate in the area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The fluorite prospects at Huckitta and the adjacent Sandover Fluorite Project (ASX: TVN) were explored by Central Pacific Minerals NL in the 1970's. The only reported fluorite drilling conducted on Daly's tenement was at the Narbarloo North prospect where two airtrack holes were drilled for a total of 58 metres. Only one hole "Drillhole PH1" successfully drilled through the reef, intersecting 6.1m @ 35.1% CaF2. Drillhole PH2 returned 4.6m @ 16.5% CaF2 but did not penetrate through the entire mineralised zone (and was abandoned due to a compressor failure on the drill rig). • Previous base metal exploration within the Huckitta tenements included Anglo American (1960, 1975 & 1993), CEC/BHP/Anaconda (1977-1979), Plenty River (1985), Saracen (1998), Normandy (1992), CRAE (1993-1994), NuPower (2008-2011), Mincor (2010-2011), and a collective of Elkedra/Uramet/Intercept Minerals (2001-2012). The latter completed significant exploration over the Box Hole Prospect, including surface sampling, VTEM, IP and gravity surveys, RC and RAB drilling plus an independent exploration potential report by CSA Global (Townrow, 2011). Mincor Zinc also completed detailed work in the Box Hole region with further geophysical data collection, collaboration with CSIRO on a structural interpretation, culminating in a phase of diamond stratigraphic drilling (Thevissen, 2012).
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The regional geology setting for the Huckitta Fluorite Project is the northern margin of eastern Aileron Province within the Arunta Region. The Aileron Province is defined as Paleoproterozoic crust, on the southern margin of the Northern Australia Craton. It contains variably metamorphosed clastic sediments along with metavolcanic and igneous rocks. The Georgina Basin lies to the north (unconformity) and the Irindina Province to the south (faulted contact). • The Huckitta Fluorite project area consists of predominantly the Jinka Granite (1730 –1710Ma). There is also a folded sedimentary package of sandstones, limestones and conglomerates that are part of the Georgina Basin (Cambrian to Neoproterozoic). The fluorite reefs form a hydrothermal vein system within the Palaeoproterozoic Jinka Granite. • The Huckitta fluorite reefs present as high-grade fluorspar veins with significant concentrations of barite, quartz and copper. Fluorite occurs primarily as purple to colourless, and vein thicknesses range from a few centimetres up to several metres. Recent mapping and geochemical sampling by Daly have confirmed the presence of high-grade fluorite at several locations near the southern part of tenement EL 33271.

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Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar; elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar; dip and azimuth of the hole; down hole length and interception depth; hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Historical drilling completed by Central Pacific Minerals NL at Narbarloo North includes drill holes PH1 and PH5. Drill holes were oriented approximately 246° azimuth with dips of about -55°. Holes were drilled to depths of approximately 33.5 m and 24.4 m respectively. Drill collars were recorded in a local grid co-ordinate system.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Exploration results from the Daly rock-chip samples represent individual rock-chip assay results and no compositing has been applied. • For the calculation of CaF2 equivalent values, the conversion is based on the stoichiometric relationship between fluorine (F) and calcium fluoride (CaF2), where two moles of fluorine correspond to one mole of CaF2. The following molar masses were used: Fluorine (F) = 18.998 g/mol; Calcium fluoride (CaF2) = 78.076 g/mol. Accordingly: CaF2 (%) = F (%) x 2.055. No adjustments were made for impurities, recovery factors, or processing losses, and calculations assume 100% conversion efficiency.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (ego 'down hole length, true width not known').*	• Rock-chip samples collected by Daly represent selective surface rock-chip samples and therefore do not represent true mineralised widths or the thickness of mineralised veins. • Soil geochemical results represent surface geochemical dispersion and do not directly indicate the location, width or grade of underlying mineralisation.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Provided in report under relevant sections.

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Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All material information is included in the report.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All material information is included in the report.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The rock-chip and soil sample assay results reported in this announcement have been integrated with the Company's geological mapping. Further rock-chip sampling, soil sampling and geological mapping are planned across the broader project area to determine the most prospective areas for future drill testing. Results will be integrated with the Company's recently completed airborne magnetic and radiometric survey to refine geological interpretations, prioritise targets and guide future drill testing. • Diagrams are included in the body of the report.