CAZALY
RESOURCES LIMITED

EXPLORATION UPDATE
HALLS CREEK (WA) & VANROCK (QLD)

Cazaly Resources Limited (ASX: CAZ, "Cazaly" or "the Company") is pleased to announce that RC drilling has been completed at its Halls Creek Project located 25km southwest of Halls Creek in the East Kimberley Region of Western Australia whilst activities have advanced at the Vanrock Project located in central north Queensland, 350km west of Cairns within the northern portion of the Townsville-Mornington Island Igneous Belt (TMIB), which extends over 700km from Townsville to the Gulf of Carpentaria.

Halls Creek Copper Project

RC drilling has been completed at the Halls Creek Project (Figure 1). A total of 19 holes were drilled for 4,049m to test the Moses Rock EM conductor and the Bommie Porphyry Copper System.

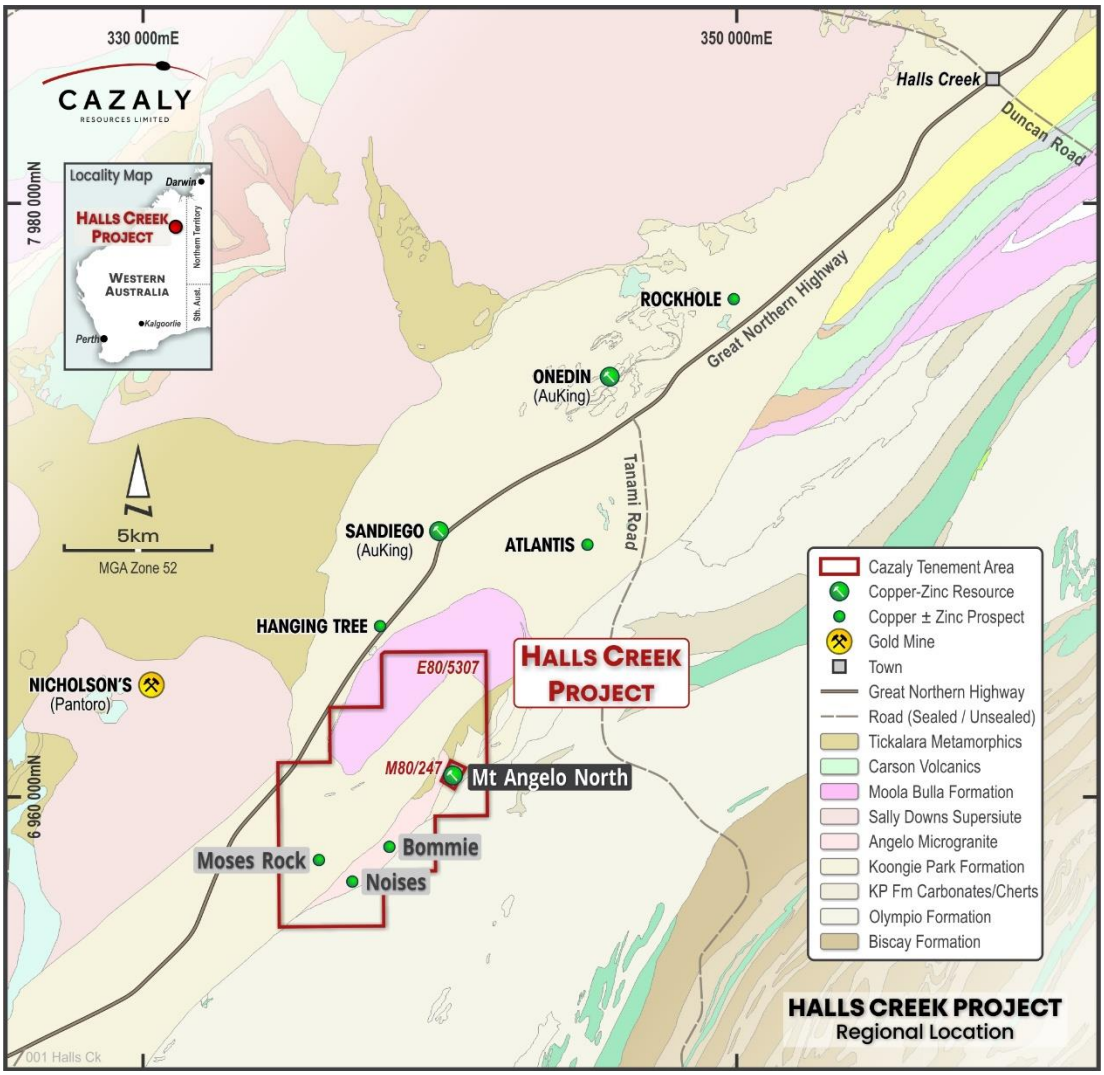

Figure 1. Location of Halls Creek Copper Project.

Bommie Prospect - porphyry copper target

16 holes were drilled for 3,395m to test the continuity of broad copper intercepts across the Bommie Prospect on an approximate 100m x 100m grid (Figure 2). The Bommie Prospect is located 2.5km southwest of Mount Angelo North and is interpreted as a large low grade copper system with significant drill intercepts as shown in Figure 2. The prospect has an extensive surface geochemical signature which provides further encouragement for a large mineralised system. All priority drill holes were completed. A decision to complete the second priority ("P2" – Figure 2) drill holes will be made following the receipt of all assay results and the estimation of a maiden inferred mineral resource. Sampling techniques and data collection are detailed in Appendix 1.

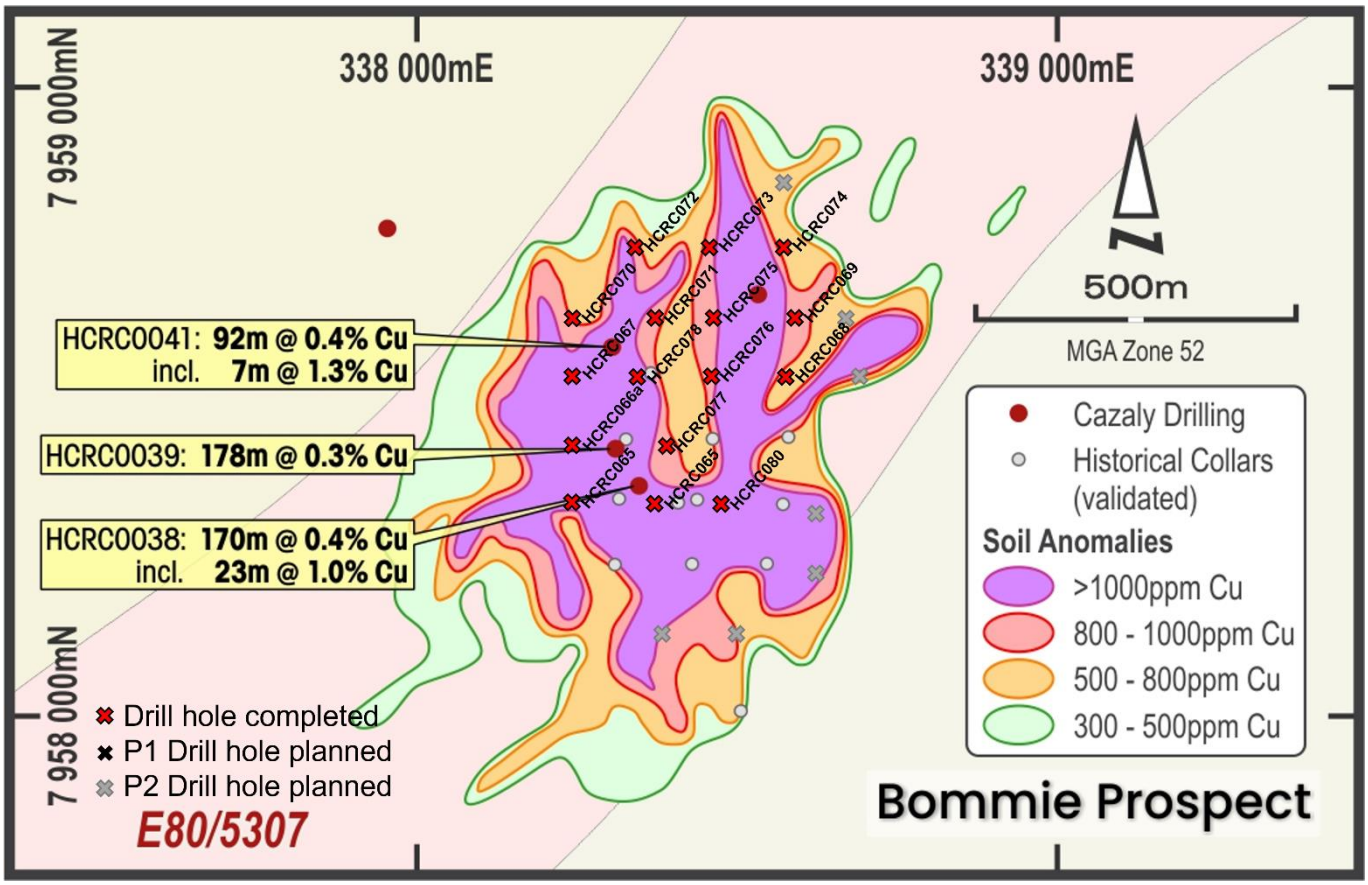

Figure 2. The Bommie porphyry copper prospect showing RC drill collar locations and anomalous copper in soil results.

Visually estimated sulphide percentages varied in all drill holes from trace levels up to 10%. Geologists have also identified pyrrhotite, pyrite, chalcopyrite, chalcocite and molybdenite in the RC drill chips (Figure 3).

Three RC Drill holes were drilled for 654m to test an EM conductor at the Moses Rock prospect at the beginning of the drilling campaign with further details reported in Cazaly's June '22 Quarterly Activities Report.

Figure 3. Bommie Prospect: Drill chips showing albite, chlorite, biotite, disseminated sulphides and quartz-carbonate veins.

Vanrock Polymetallic Project (Option to earn in)

An ***airborne Electromagnetic (EM) survey*** has been completed across the Vanrock Project using the Xcite system, a high-resolution helicopter borne time domain electromagnetic and magnetic survey system. Eight lines were completed in total for 40km on a 500m line spacing. 4 lines were completed across the Vanrock target, and 4 lines were completed across a lookalike target on EPM27085 located 10km to the southeast of the Vanrock Target (Figure 4). The Xcite survey was completed to provide more detail on the original airborne EM anomaly identified by Geoscience Australia. Final survey data is pending. The Xcite EM survey design specifications are listed below:

Transmitter Diameter	18.4m
Base Frequency	25Hz
Waveform	Nominal square wave 5.4ms
Receiver Orientation	X, Z
Helicopter survey Height	30-40m

Townsville based heritage consultants have been engaged to conduct a ***cultural heritage survey*** on the 24 to 26 August 2022. Following survey clearance, earthworks will be completed by local contractors to establish site access in readiness for the commencement of diamond drilling. A ***diamond drilling contractor*** has been engaged to commence the drilling at the Vanrock target in early September.

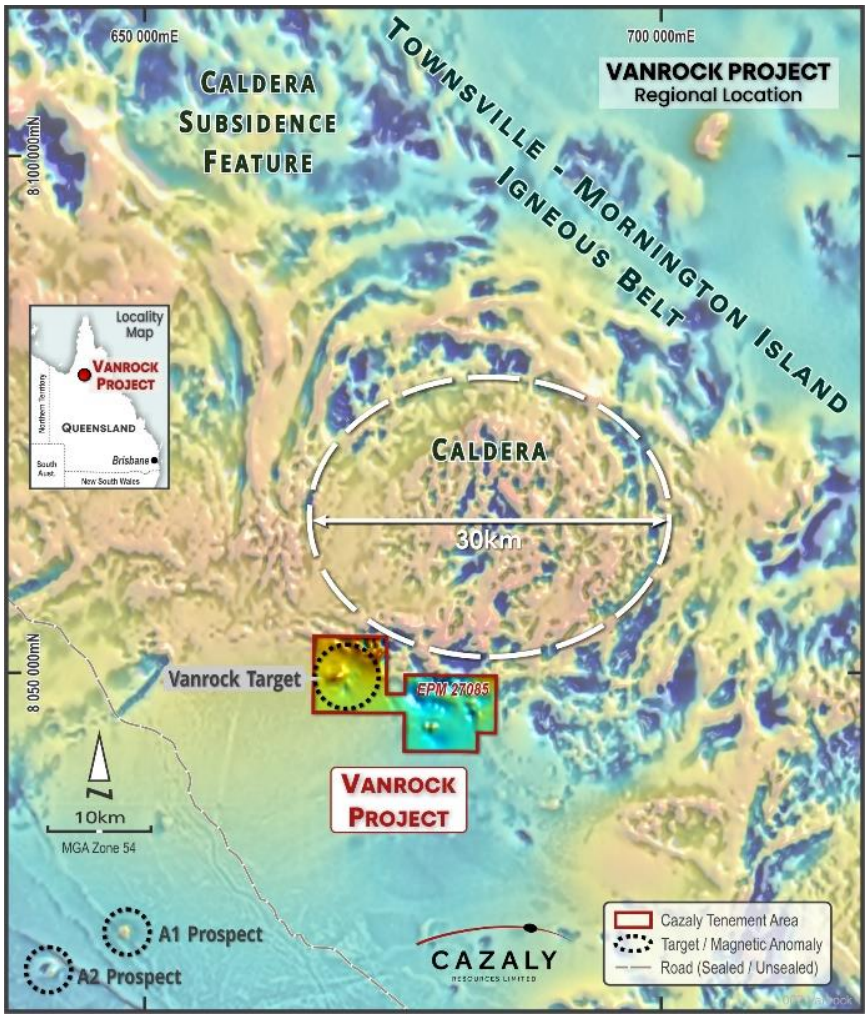

Figure 4. Location of the Vanrock target on the margin of a large caldera.

The Vanrock drill target is a coincident magnetic and airborne EM anomaly on the edge of a palaeo-caldera. The target will initially be tested with a single diamond drill hole, designed to intersect the modelled magnetic units (Figure 5) interpreted to represent parallel sulphidic mineralised lodes. The Project is considered to have potential for Andean-type silver-tin-zinc-copper-lead mineralisation. Polymetallic discoveries have been made undercover by Gold Aura Ltd, now Crater Gold Mining Ltd (ASX:CGN), at the A1 & A2 prospects located to the southwest of the project (Figure 4), near Croydon where massive sulphides were intersected, "*widths varying from 2 to 13m downhole containing potentially economic concentrations of Zn (1.35 to 10.13%), Ag (32.7 to 642g/t), Sn (0.12 to 0.63%) ± Pb (0.25 to 2.1%) and/or Cu (0.13 to 0.57%)*".

Cazaly entered into an agreement with Lynd Resources Pty Ltd to acquire a majority stake in the Vanrock project based upon the terms outlined in the ASX announcement dated 20 July 2022.

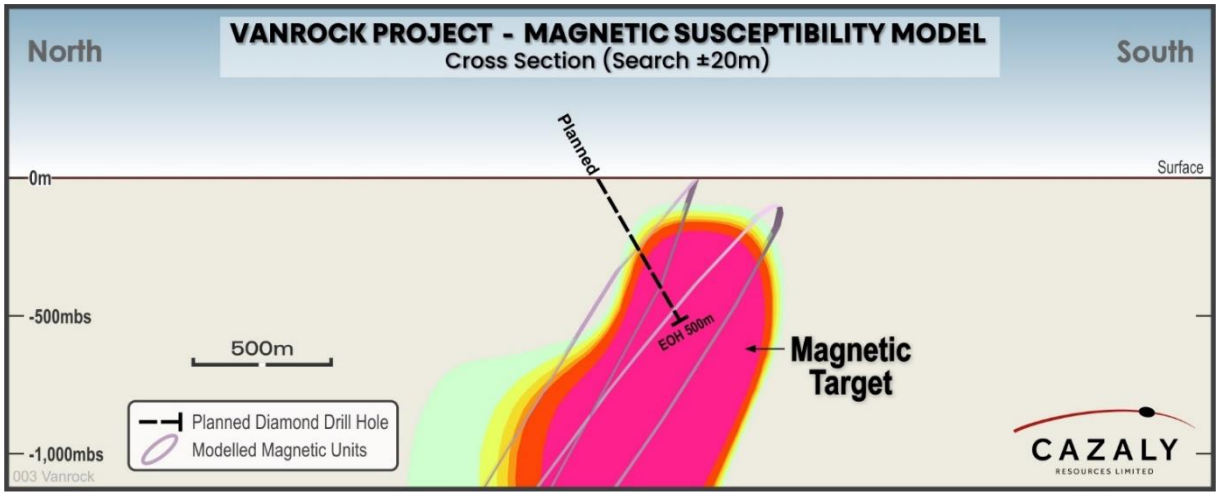

Figure 5. Magnetic susceptibility model showing two discrete moderately dipping units to be tested initially with a single diamond drill hole to 500m depth.

Cazaly's Managing Director Tara French commented *"We are extremely pleased to see RC drilling at Halls Creek completed and look forward to the receipt of assays within 2-3 months. The drilling will contribute to the estimation of a maiden copper resource at the Bommie Prospect by the end of December '22. In addition, preparation and logistical planning is progressing well at the Vanrock project. We were fortunate to find NRG Australia airborne surveys working in the district and seized the opportunity to acquire more data to supplement the existing dataset and modelled target at Vanrock. Heritage work and diamond drilling is on schedule to be completed by the end of the September '22 quarter."*

ENDS
For and on behalf of the Cazaly Board

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Competent Persons Statement

The information contained herein that relates to Exploration Results is based upon information compiled or reviewed by Mr Don Horn, who is an employee of the Company. Mr Horn is a Member of the Australasian Institute Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Horn consents to the inclusion of his name in the matters based on the information in the form and context in which it appears.

Forward Looking Statement

This ASX announcement may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Cazaly's planned exploration program(s) and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward looking statements. Although Cazaly Resources 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. The forward-looking statements in this announcement reflect views held only as at the date of this announcement.

APPENDIX 1 – Moses Rock and Bommie RC drilling

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*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 XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	The **Moses Rock** and **Bommie** prospects have been sampled using Reverse Circulation (RC) drill holes. Holes were drilled on various grid spacings angled -50° to -90° to varying azimuths designed to drill perpendicular to the interpreted strike of mineralisation.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Collar positions were located with a handheld GPS with an expected accuracy of ± 3m. Hole azimuth was measured with a geological compass at the collar location. Down hole surveys were taken with a Axis Gyro tool every 30m down hole. 1 industry prepared independent base metal multielement standard, 1 blank sample and 1 field duplicate sample were inserted per every 20 samples submitted.
	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 (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.	**Moses Rock** RC samples were collected at 4 metre composite intervals by a spearing sample 1 piles to make up a total weight of approximately 3kg per sample submitted. **Bommie** RC samples were collected at 2 metre composited intervals by rig mounted cone splitter to make up a total weight of approximately 3kg per sample submitted. All RC samples were sent to the accredited Jinning laboratory in Perth for sorting, crushing, pulverization and analysis by fire assay (Au) and four acid digest (multielement suite) methods. Samples from RC were considered representative and appropriate for the material sampled.
Drilling techniques	*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).*	Reverse circulation drilling employing a face sampling hammer was used for all drilling at **Moses Rock** and **Bommie.**
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Sample recovery was estimated visually and by using a spring scale to check sample weights were sufficient. Over 99% of samples were considered to have excellent recovery and over 99% of samples were dry. Small amounts of poor recovery are noted while collaring the hole and some minor wet samples were noted where there was high water influx from aquifers.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	The RC rig cyclone and splitter were cleaned throughout each drill hole, between samples and after drilling each rod. Thorough cleaning after intervals of significant water was also done.

Criteria	JORC Code explanation	Commentary
		RC sample recovery was visually assessed with recovery, moisture and contamination recorded into a logging template. Sample weights were regularly checked using a spring scale.
	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.	Over 99% of RC sample recoveries were good, no bias is expected for all drilling completed.
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.*	All drill chips were geologically logged on site by geologists following the CAZ logging scheme. With all recorded information loaded to a database and validated.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging is qualitative with colour, lithology, texture, mineralogy, mineralization, alteration and other features. Indicative geochemical measurements using a Niton XRF were also recorded.
	The total length and percentage of the relevant intersections logged.	All drill holes were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	N/A
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	**Moses Rock**: 1 metre RC drill samples fall through a cone splitter directly below the rig mounted cyclone. A 2-3 kg sample is collected in a pre-numbered calico bag and lined up in rows with the corresponding bulk 1 metre sample pile collected by a bucket. If wet samples are collected during RC drilling this is recorded and loaded to a database. Samples are composited to 4m intervals with a PVC spear at the discretion of the logging geologist **Bommie**: 1 metre RC drill samples fall through a cone splitter directly below the rig mounted cyclone. A 2-3 kg 2m composite sample is collected in a pre-numbered calico bag and lined up in rows with the corresponding bulk 1 metre sample pile collected by a bucket. If wet samples are collected during RC drilling this is recorded and loaded to a database. All 2m composite calico bags were submitted for analysis.
	For all sample types, the nature, quality, and appropriateness of the sample preparation technique.	All drill samples are dried, crushed and pulverised to achieve an average of 85% passing 75µm and all samples are considered appropriate for this technique
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Duplicate field sample composites were collected in RC drilling at the rate of 1:20.
	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.	Appropriate sampling protocols were used during RC composite sampling. This included spear collection at various angles through bulk 1 metre sample piles to maximize representivity.

Criteria	JORC Code explanation	Commentary
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes (2kg to 3kg) are considered to be of a sufficient size to accurately represent any base metal mineralisation (massive and disseminated sulphides and associated supergene enrichment). Field duplicates have been collected to ensure monitoring of the sub-sampling quality.
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.*	Samples have been sent for analysis to the Jinning laboratory in Perth (a commercial accredited independent laboratory). All RC samples will be analysed by: • Fire Assay using a 50g charge finished by ICP-AAS to analyze for Au. • Four Acid Digest to analyze a suite of elements with an ICP-OES/MS finish.
	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.	XRF measurements have been taken on 1m drill spoil piles to give a rough indicative reading for Cu-Mo at Bommie. These results are not considered material and results from this will not be released on the ASX.
	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.	Field duplicate samples and standards were submitted with each sample batch at a rate of 1:20. The laboratory will insert its own standards, blanks, and duplicate samples to ensure results are within tolerable limits.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	All data has been checked internally by senior CAZ staff
	The use of twinned holes.	N/A
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Field data is collected using an excel spreadsheet with internal validation on a Toughbook computer. Validation checks are also used when loading the data to a company MX Deposit database.
	Discuss any adjustment to assay data.	No adjustments are made to assay data
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Collar positions were located with a handheld GPS (±3m). Down hole surveys were taken with a Axis Gyro tool every 30m down hole. Prior to resource estimation collar positions will be surveyed by a licenced surveyor to ensure accurate data location.
	Specification of the grid system used.	All co-ordinates collected are in GDA94 – MGA Zone 52
	Quality and adequacy of topographic control.	The topographic surface is determined from pre-existing digital elevation models and DGPS survey data.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Holes were drilled on various grid spacings angled -50° to -90° to varying azimuths designed to drill perpendicular to the strike of mineralisation wherever possible due to drill access.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral	The data spacing and distribution is considered sufficient to demonstrate spatial and grade continuity of the mineralisation at the **Bommie**

Criteria	JORC Code explanation	Commentary
	Resource and Ore Reserve estimation procedure(s) and classifications applied.	**Prospect** to support the definition of an Inferred Mineral Resources under the 2012 JORC code once all other modifying factors have been addressed.
	Whether sample compositing has been applied.	**Moses Rock:** All samples are collected at 4m intervals. Samples are composited via PVC spear to 4m at the direction of the geologist. **Bommie**: All samples are collected at 2m intervals directly from the rig mounted cone splitter.
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.*	Drilling on all projects is orientated to best suit the mineralisation to be closely perpendicular to both the strike and dip of the mineralisation. Intercepts are close to true width in most cases. Exceptions are where deep creeks have not allowed for clearing to allow optimal placement of a drill rig in a small number of holes.
	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.	It is not believed that drilling orientation has introduced a sampling bias.
Sample security	*The measures taken to ensure sample security.*	Samples are securely sealed and stored onsite, until delivery to Perth laboratories via contract freight Transport. Chain of custody consignment notes and sample submission forms are sent with the samples. Sample submission forms are also emailed to the laboratory and are used to keep track of the sample batches.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No external audits on sampling techniques and data have been completed. A review of QAQC data will be carried out by company geologists.