

## EXPLORATION UPDATE ASHBURTON

Cazaly Resources Limited (ASX: CAZ, “Cazaly” or “the Company”) is pleased to announce that exploration has advanced at its Ashburton Project, located in the Pilbara region of Western Australia. Cazaly holds the rights to a major land position covering more than 2,450km<sup>2</sup> in the Ashburton Basin. The project covers major regional structures considered to be prospective for large mineralised systems.

### Airborne Electromagnetic Survey

An Airborne Electromagnetic (AEM) Survey was completed across three blocks (Figure 1) in early August for a total of 305 line kilometres at 400m or 200m line spacing. While final results are pending, *preliminary results* have been received and initial interpretations are reported below. Survey Block 1 tested an area along the Nanjilgardy Fault with anomalous historical surface geochemistry. The Nanjilgardy fault is a major regional scale structure marking the boundary between the Capricorn Orogen and the Pilbara Craton. The structure is associated with significant deposits including Black Cat’s (ASX: BC8) Paulsens gold mine and Kalamazoo’s (ASX: KZR) Mount Olympus gold mine. Survey Blocks 2 and 3 were designed to refine broad TEMPEST AEM anomalies identified in publicly available government survey data. Block 2 is also coincident with anomalous gold results at the *New Finish* prospect. Survey design specifications are included in Appendix 1.

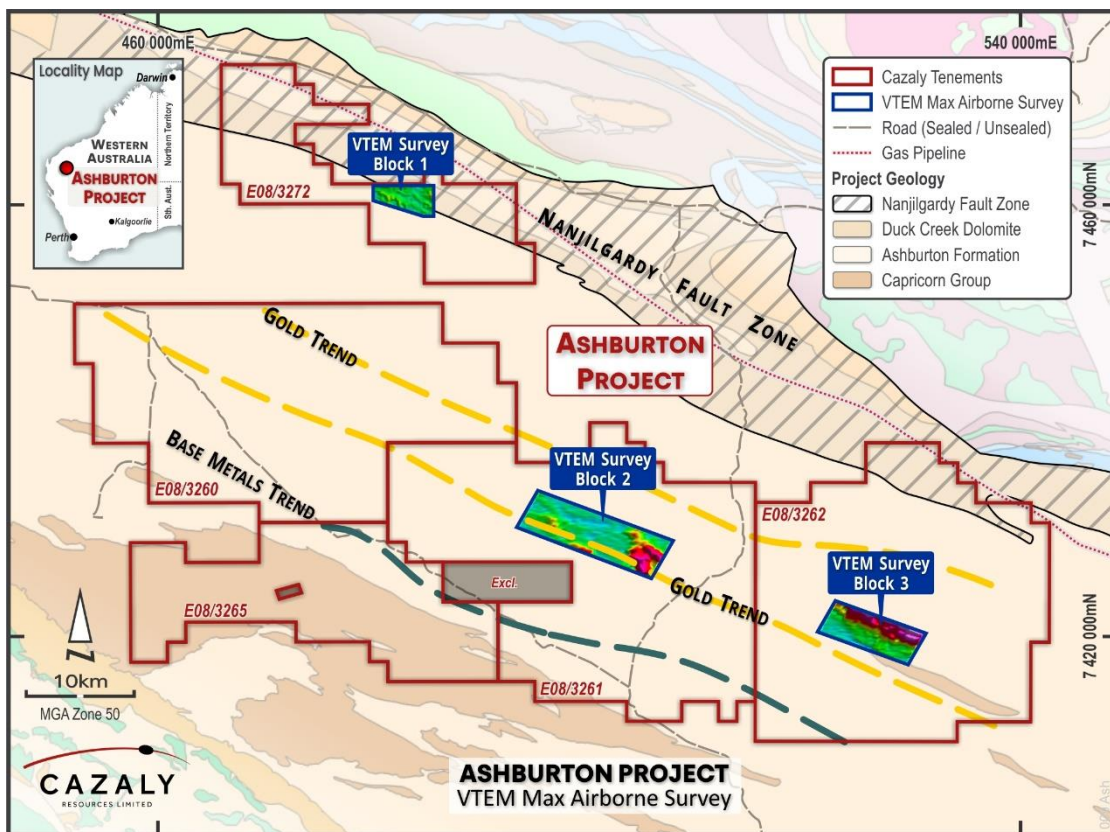


Figure 1. Preliminary VTEMmax survey results and interpreted +50km long mineralised trends.

Interpretation of preliminary data was completed by Southern Geoscience Consultants (Figure 1). The results are summarised below:

- **Block 1** – 200m line spacing shows subtle anomalous conductive trends with WNW orientations. This orientation coincides with the strike of lithology. *Several higher amplitude anomalies occur on the eastern block margin.*
- **Block 2** – 400m to 200m line spacing shows a conductive folded sequence evident in south-eastern corner of the block. *A separate conductive response coincides with the margin of the New Finish prospect.*
- **Block 3** – 400m to 200m line spacing shows a very strong conductive response shown along the north-eastern margin of the block, this is likely to be a stratigraphic response. *A number of discrete moderate strength anomalies occur immediately southwest of the stratigraphic response.*

Final survey data is expected in four weeks which will enable a more thorough interpretation, and a detailed assessment of *the discrete anomalies* identified in the preliminary dataset.

### Fine Fraction Surface Sediment Sampling

Analytical results have been returned for 509 fine fraction ( $-75\mu\text{m}$ ) stream sediment samples that were collected during July-August 2022 across E38/3262, E38/3265, and E38/3261. Elevated Gold and Carlin Score values coincide with the previously identified mineralised trends (Figure 2, Appendix 1). Elevated copper assays highlight two new target areas (Figure 3, Appendix 1). The northern anomaly at Cairn Hill Bore extends for 10km strike and is coincident with the Nanjilgardy Fault Zone. The southern anomaly at Seven Mile Bend extends the southern base metal trend from Ram Hole Creek to the south east into tenement E08/3262 (Figure 3).

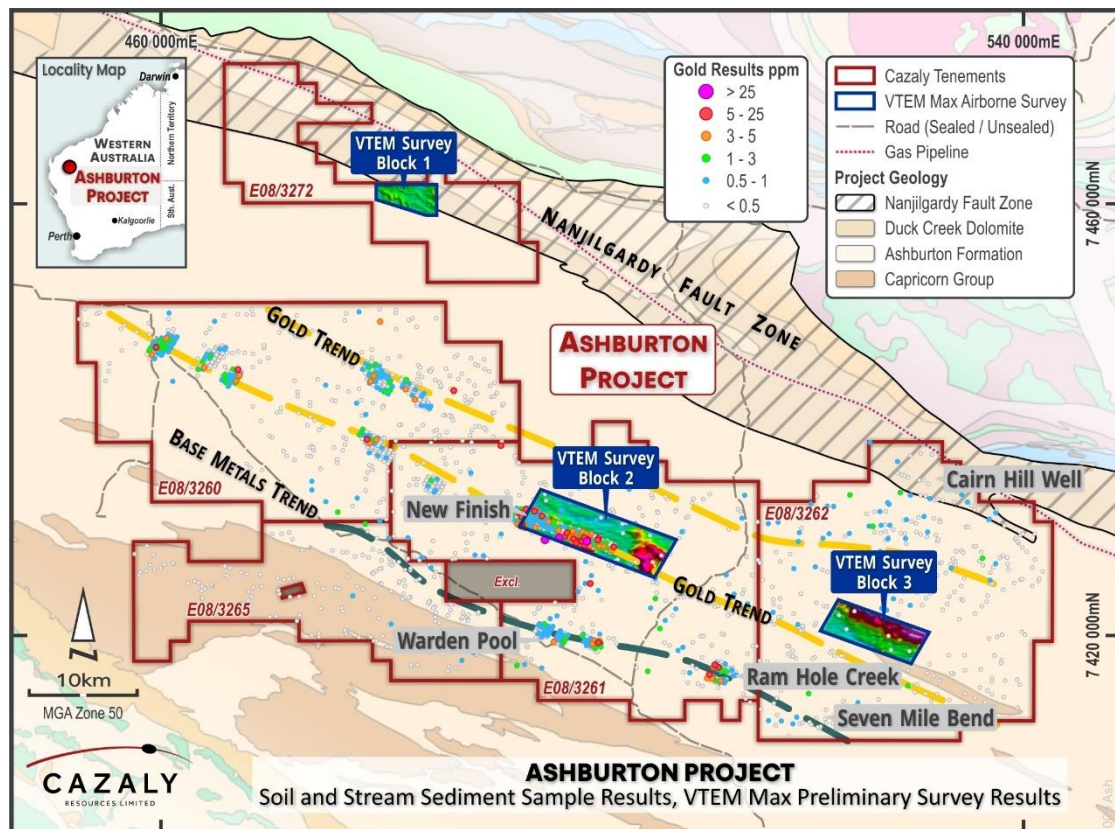


Figure 2. All surface sample results, interpreted +50km long mineralised trends, preliminary VTEMmax survey results



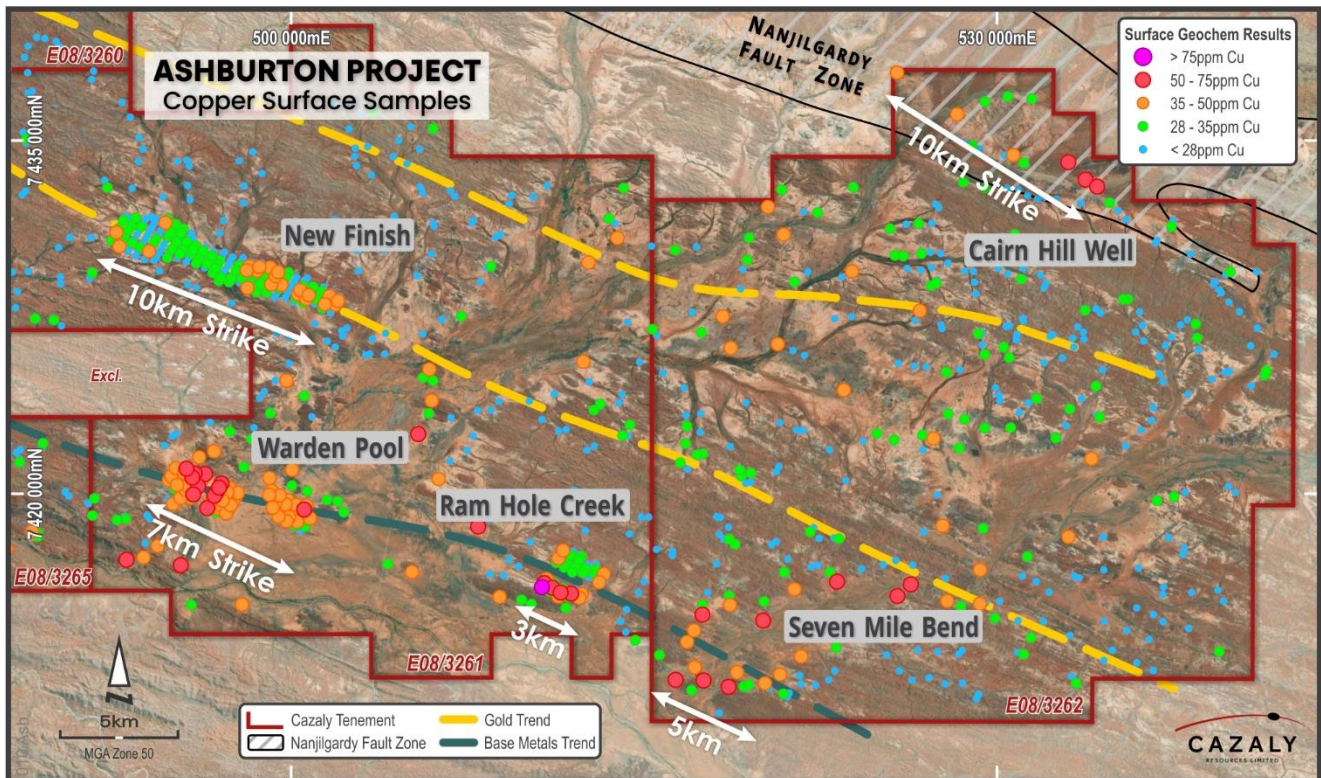


Figure 3. Anomalous copper assay results highlight new prospect areas, that align with the southern base metal trend and the Nanjilgardy fault.

This work concludes the first pass reconnaissance surface geochemical sampling programme that commenced in the December '21 quarter with the collection of 1,211 surface samples. The final surface geochemical dataset of 1,720 fine fraction surface samples provides Cazaly with the first regional scale geochemical database across the entire tenement package, which will be used in conjunction with geophysics across the vast 2,450km<sup>2</sup> project area to prioritise areas for further work. Assay results received in the March '22 quarter (ASX announcement dated 14 March 2022) highlighted:

- **Two anomalous gold-copper mineralised trends extending over 50km** in the northern project area, and
- **Strong base metal signatures** highlighting the prospectivity of regional scale structures in the southern project area.

The work to date has identified five new copper +/- gold prospects (Figure 3, Appendix 1) over significant strike lengths including: 10km at New Finish, 3km at Ram Hole Creek, 7km at Warden Pool, 5km at Seven Mile Bend and 10km at Cairn Hill Well located along the Nanjilgardy fault zone.

Cazaly's MD Tara French commented "While we await final drill assay results for Vanrock and our Halls Creek Copper Project, we are pleased to be progressing exploration activities across our large landholding in the Ashburton. This geochemical sampling completes our comprehensive early-stage surface geochemical programme. This dataset, used in conjunction with all available geophysical data will aid in vectoring towards discrete targets within the Ashburton tenement package. Once the final EM results are received and interpreted, we will be able to utilise all datasets to rank and prioritise areas for further work."

ENDS

**For and on behalf of the Cazaly Board**

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**Competent Persons Statement**

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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**

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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 – Ashburton Geochemical Sampling, Results & Airborne VTEM Surveys.

### Soil sample results >50ppb Cu.

Sample ID	North MGA 94	East MGA 94	RL	Prospect	Lease ID	Ag ppm	As ppm	Au ppb	Cu ppm	Hg ppm	Pb ppm	Sb ppm	Tl ppm	Zn ppm	Carlin D-Score
AS1981	7,434,087	533,040	314	Cairn Hill Bore	E08/3262	0.04	6.0	0.7	53.1	0.04	11.4	0.73	0.14	82.9	1.8
AS1982	7,433,346	533,769	313	Cairn Hill Bore	E08/3262	0.02	5.7	0.9	50.5	0.02	10.1	0.59	0.13	73.6	1.4
AS1983	7,433,054	534,262	314	Cairn Hill Bore	E08/3262	0.03	5.3	1.4	58.6	0.03	9.2	0.65	0.14	86.7	1.4
AS2190	7,416,276	523,206	258	Regional	E08/3262	0.02	5.4	1.6	58.3	0.01	11.0	0.43	0.14	78.6	1.4
AS2214	7,414,622	520,064	256	Seven Mile Bend	E08/3262	0.02	5.9	2.3	67.0	0.01	11.8	0.42	0.15	85.3	1.8
AS2215	7,412,076	517,534	248	Seven Mile Bend	E08/3262	0.03	5.7	2.0	60.2	0.01	11.0	0.45	0.12	77.6	1.0
AS2217	7,412,106	516,343	245	Seven Mile Bend	E08/3262	0.03	5.3	1.3	57.1	0.02	10.7	0.47	0.14	77.6	1.4
AS2223	7,414,875	517,486	255	Seven Mile Bend	E08/3262	0.03	5.3	0.9	63.9	0.02	11.6	0.44	0.15	85.1	1.4
AS2293	7,415,663	525,772	259	Regional	E08/3262	0.02	6.1	1.2	52.4	0.01	11.3	0.73	0.12	78.0	1.4
AS2294	7,416,157	526,344	256	Regional	E08/3262	0.04	5.9	2.2	57.1	0.02	9.7	0.57	0.10	76.1	3.0
AS2328	7,411,807	518,598	248	Seven Mile Bend	E08/3262	0.03	5.7	1.3	59.1	0.02	11.0	0.67	0.14	83.3	1.4
AS2361	7,416,980	495,310	228	Regional	E08/3261	0.04	6.4	1.2	50.8	0.02	12.2	0.78	0.16	67.1	1.4
AS2365	7,417,202	493,005	230	Regional	E08/3261	0.05	9.2	2.3	57.4	0.04	13.4	0.80	0.17	72.9	3.4

JORC Code, 2012 Edition – Table 1

### Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<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 XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	<p>The versatile time-domain electromagnetic (VTEM) survey was undertaken by UTS Geophysics Pty Ltd, an independent geophysical contractor. The survey was completed by helicopter at the Ashburton Project over 3 separate blocks utilising the Geotech Ltd VTEM Max system.</p> <p>First pass reconnaissance geochemical sampling continued at the <b>Ashburton Project</b> from the 10 July until the 8 August 2022. A total of 509 stream sediment samples were collected.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>VTEM survey lines were flown on 200m and 400m spacing orientated at 30° or 180 ° to ensure flight lines were close to perpendicular to the strike of stratigraphy.</p> <p>Stream sediment samples were collected at a density of between 1 sample per 3 to 5km<sup>2</sup> of catchment area. Field duplicate samples were collected at a rate of 2 in 100 and standards inserted at a rate of 3 per 100 samples.</p>

Criteria	JORC Code explanation	Commentary
	<p><i>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.</i></p>	<p>Supervision of the VTEM survey, processing of data and preparation of final products was completed by UTS Geophysics Pty Ltd.</p> <p>Modelling and interpretation of data was completed by geophysicists at Southern Geoscience Consultants.</p> <p><b>Survey Specifications:</b>            Loop Diameter: 35 m            Pulse: 7ms            Receivers: Z, X            Horizontal Gradiometer: No            Helicopter survey Height: 35m            Full Waveform: Required</p> <p>All surface geochemical samples were sieved to - 75µm in the field and were submitted to Intertek laboratories in Perth for gold and multi-element analyses utilizing aqua regia digest. Interpretation of the results of this work is ongoing and incorporates all previous geochemical sampling phase carried out by the company and previous explorers at the <b>Ashburton Project</b>.</p>
<b>Logging</b>	<p><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></p>	<p>Brief geological notes were collected by the sampler during surface stream sample collection.</p>
	<p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></p>	<p>Logging is qualitative with colour, lithology, and regolith noted. Site photos were collected during sampling.</p>
	<p><i>The total length and percentage of the relevant intersections logged.</i></p>	<p>A descriptive log was collected for each sample location.</p>
<b>Sub-sampling techniques and sample preparation</b>	<p><i>For all sample types, the nature, quality, and appropriateness of the sample preparation technique.</i></p>	<p>All stream samples were screened on site to -75µm before packaging and submitting to the laboratory.</p>
	<p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p>	<p>Duplicate samples were collected at the rate of 2 per 100 samples.</p>
	<p><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></p>	<p>Appropriate sampling protocols were used during stream sediment sampling. Results for field duplicates did not indicate any bias or inconsistency in sampling.</p>

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	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Sample sizes were selected based on results of the orientation studies. This work helped determine the optimum in relation to the appropriate size fraction for detection of mineralisation as well as being efficient for first pass reconnaissance sampling. Approximately 100g of sample was collected at each location.
<b>Quality of assay data and laboratory tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Samples were sent for analysis to the Intertek laboratory in Perth (a commercial accredited independent laboratory). All stream samples were analysed for 53 elements by the partial digest method: Triple Quad Aqua Regia ICP-MS.  The elements and analytical technique were selected by the company's consulting geochemist as appropriate for the Ashburton Project after review of orientation sampling results.
	<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>	No handheld instruments were used for sample analysis.
	<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>	Field duplicate samples and standards were submitted with each sample batch as previously stated. The laboratory inserted their own standards, blanks, and duplicate samples. Results are within tolerable limits and considered an acceptable level of accuracy. Lab checks were completed during the orientation phase of work.
<b>Verification of sampling and assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	All data has been checked internally by senior staff.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Field data is collected using tablets and handheld GPS. Data is downloaded daily to excel spreadsheets and validated. Data was sent daily to Perth from site for further checks. GPS data recorded the sample location and uploaded to the Company database software and merged with assay data
	<i>Discuss any adjustment to assay data.</i>	No adjustments are made to assay data
<b>Location of data points</b>	<i>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.</i>	All geochemical surface sample positions were located with a handheld GPS ( $\pm 3$ m).
	<i>Specification of the grid system used.</i>	All co-ordinates collected are in GDA94 – MGA Zone 50S.



Criteria	JORC Code explanation	Commentary
	<i>Quality and adequacy of topographic control.</i>	The topographic surface is determined from low level airborne survey data.
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	Stream samples were planned off detailed topography and satellite images in the best tributary sites for the catchment area. At the time of collection, collection points were moved up to 50m to the most suitable site and recorded.
	<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>	<p>VTEM survey configuration:</p> <ul style="list-style-type: none"> <li>Block 1: 200m line spacing 0-180 line direction Base Frequency – 25 Hz Sensor height - 35m Loop diameter - 35m Peak dipole moment – 700,000NIA Transmitter pulse width – 7ms</li> <li>Block 2: 200 to 400m line spacing 30-210 line direction Base Frequency – 25 Hz Sensor height - 35m Loop diameter - 35m Peak dipole moment – 700,000NIA Transmitter pulse width – 7ms</li> <li>Block 3: 200 to 400m line spacing 30-210 line direction Base Frequency – 25 Hz Sensor height - 35m Loop diameter - 35m Peak dipole moment – 700,000NIA Transmitter pulse width – 7ms</li> </ul> <p>Data distribution is considered to be sufficient for first pass reconnaissance surface geochemical sampling.</p>
	<i>Whether sample compositing has been applied.</i>	No sample compositing has been applied.
<b>Orientation of data in relation to geological structure</b>	<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>	Stream sediment samples were collected at a density of between 1 sample per 3 to 5km <sup>2</sup> of catchment area. This is considered appropriate for first pass surface geochemical sampling.
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	Samples were stored on site, 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.
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	No external audits on sampling techniques and data have been completed. A review of QAQC data has been carried out by company geologists.



## Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<p><b>Mineral tenement and land tenure status</b></p>	<p><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></p> <p><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></p>	<p>The Ashburton Project is located on granted tenements E08/3260, E08/3261, E08/3262, E08/3265 and E08/3272 held 100% by Cazaly Resources Ltd. Native Title Agreements have been executed for all tenements with the relevant parties. Normal Western Australian State royalties apply.</p>
<p><b>Exploration done by other parties</b></p>	<p><i>Acknowledgment and appraisal of exploration by other parties.</i></p>	<p>The Ashburton area has seen exploration for base metals, gold, diamonds, and limited uranium since the 1960s. Uranium was mainly targeted in the vicinity of the Bali Shear (outside of the Ashburton Project). Bali Lo prospect surface exploration in the early 1980s yielded a sample with 270 ppm U<sub>3</sub>O<sub>8</sub> and 2.53% Cu over 5 metres. The Ledge prospect, reported by Uranerz Australia Pty Ltd in the 1980s, yielded an assay of 15.6% copper and 0.28% lead. Drilling produced intersections up to 2 metres at 0.12 ppm gold at 102 metres; and 2 metres at 0.29 ppm gold at 94 metres, with maximum base metal values of 2200 ppm copper, 1700 ppm lead and 220 ppm zinc. One sample from The Company's Station Creek Prospect assayed 25.6% copper, 17% arsenic, 7.05% antimony, 1120 ppm bismuth, 1420 ppm zinc, and 2.4 ppm gold. Other samples from the area assayed up to 5 ppm gold, 6.35% lead with 5.64% copper, 0.71% thorium with 0.14% yttrium, and 0.45% strontium. However, no uranium anomalies were noted, and the land holding was relinquished (A11798).</p> <p>In the late-1980s, Australian Ores &amp; Minerals Ltd targeted gold in the project area. Initial exploration in the current phase included flying of three runs of Mark II Multispectral Scanning (MSS). These were subsequently followed up with a helicopter-borne stream sediment sampling program, the results of which were generally disappointing. Minor ground magnetic surveys were conducted across some of the MSS anomalies. Ground inspection and sampling of some of the sources of the geochemical anomalies established that they consisted of narrow selvages adjacent to bucky, white quartz veins. Copper mineralisation, with assays up to 5.2% copper, were noted. However, there were no zones of extensive alteration (A31929).</p> <p>Sipa Exploration NL worked on the area in 2001 and 2002, completing a minor soil sampling campaign; a bedrock geochemical drilling program (RAB/aircore); 1:25,000 reconnaissance geological mapping, and associated rock-chip sampling; and a 100 metre line</p>

Criteria	JORC Code explanation	Commentary
		<p>spacing aeromagnetic-radiometric survey. The soil geochemistry outlined an anomalous gold domain, which was supported by evidence from bedrock geochemistry investigations. However, no anomalous gold values were returned from the rock-chip samples, despite some containing ex-sulphide evidence. It was concluded that the tenements are underlain by rocks and structures prospective for sediment- hosted gold deposits (A65844).</p> <p>FMG and Northern Star (under JV in 2013-15) conducted exploration for gold and iron ore. Regional airborne geophysics was flown, first pass soil, stream and rock chip sampling, RC drilling and detailed structural interpretation was completed. Mineralisation was identified at the Rhino prospect with results to 4m @ 3.33g/t gold (outside of current project).</p>
<b>Geology</b>	<i>Deposit type, geological setting, and style of mineralisation.</i>	The licence is situated over the Paleoproterozoic Ashburton Basin and Blair Basin, which are part of the Capricorn Orogen. The Capricorn Orogen is a major tectonic zone between the Archaean Yilgarn and Pilbara Cratons. In the licence area, the stratigraphy comprises the Ashburton Formation and the Capricorn Group consisting of mostly turbidite sequences of siltstone, shale and sandstone. Some more iron rich inter-cleaved units are present, along with late-stage mafic dykes and sills.
<b>Data aggregation methods</b>	<p><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></p> <p><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></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>The Carlin D Score has been used to illustrate broad mineralised trends.</p> <p>A Carlin geochem Discrimination factor (D-Score) was calculated using relative values (R-values or normalised geochem scores) for (Au + As + Hg + Tl + Sb/5). R-values (odd numbers from 1 to 11) are assigned by plotting data on log-probability plots to determine anomalous and background populations. Godwin C.I. (2012). <i>Relative-value, discrimination-factor, and vector-ratio method for defining anomalies in geochemical data. Geology. Canadian Institute of Mining, Metallurgy and Petroleum Journal Vol. 7, No. 2, pp105-115</i></p>
<b>Diagrams</b>	<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 drill hole collar locations and appropriate sectional views.</i>	Refer to the body of this report.
<b>Balanced reporting</b>	<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>	<p>Assay results below interpreted background are not considered material.</p> <p>The report is considered balanced and provided in context.</p>

Criteria	JORC Code explanation	Commentary
<b>Other substantive exploration data</b>	<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>	All meaningful and material information pertaining to this report has been included in the body of this announcement. The reader should refer to previous company announcements for further details on the <b>Ashburton Project</b> .
<b>Further work</b>	<p><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></p> <p><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></p>	Ongoing assessment of the geophysical data, geochemical sampling and other data sets is being conducted to plan future work programs.