



ANOMALOUS RARE EARTH ELEMENTS OCCUR OVER 50KM MINERALISED TREND AT THE ASHBURTON PROJECT

Highlights:

- Anomalous REE Rock chip samples over 50km strike
- Elevated heavy REE include dysprosium (Dy), gadolinium (Gd), and yttrium (Y)
- Elevated Light REE include praseodymium (Pr), Neodymium (Nd), Lanthanum (La), and Cerium (Ce)
- 7 Samples above 0.5% TREO including 2 above 1% TREO

Cazaly Resources Limited (ASX: CAZ, "Cazaly" or "the Company") is pleased to announce that anomalous assay results (Figure1) have been received for initial REE exploration carried out over 50km strike, at its Ashburton Project, located in the Pilbara region of Western Australia. The project area covers 2,450km² and hosts major regional structures considered to be prospective for large mineralised systems.

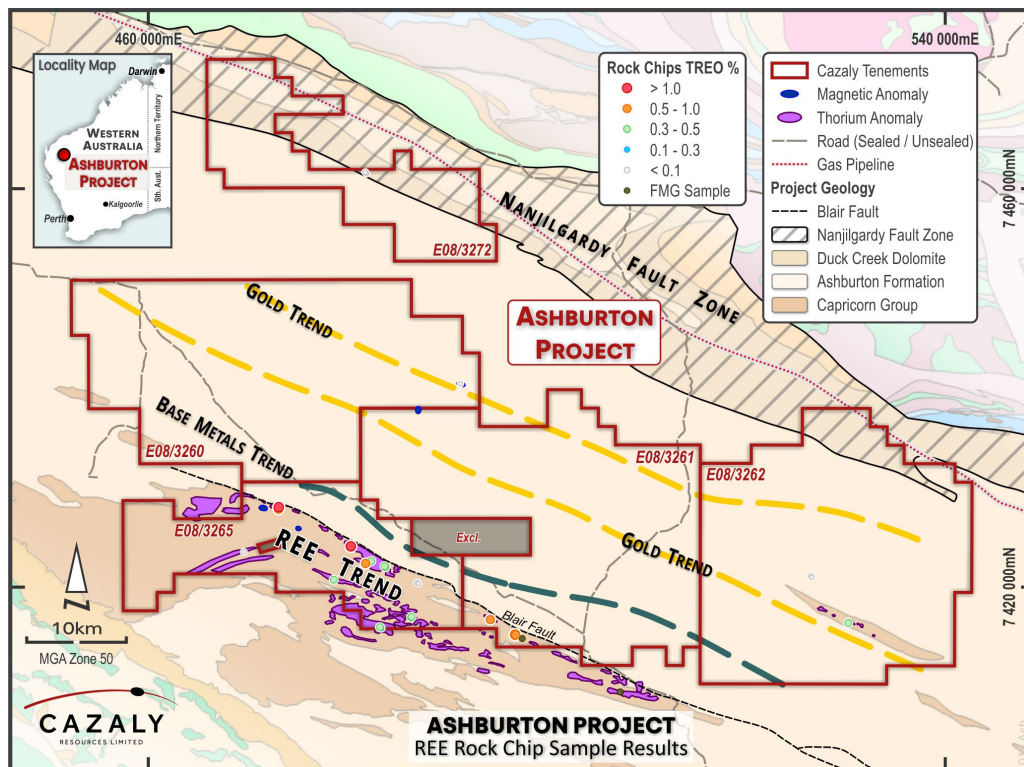


Figure 1. 50km REE mineralised trend and anomalous results of rock chip heli-sampling program.

Analytical results were returned from the rock chip heli-sampling program completed at the Ashburton Project. Twenty-six (26) samples were collected from the sedimentary units of the Capricorn group over a 50km strike, adjacent to the Blair Fault, a deep seated regional scale structure. Seven (7) samples returned anomalous TREO above 0.5% with two (2) samples above 1% TREO (Figure 1, Table 1). Elevated REE include: 118ppm dysprosium; 179ppm gadolinium; 619ppm yttrium; 2,070ppm lanthanum; 1,472ppm neodymium; and 431ppm praseodymium. In addition phosphorous results were also elevated to 4,600ppm. These results are higher than those samples previously reported by Fortescue Metals Group (FMG) from within the Ashburton project area (Appendix 1). Anomalous results are shown below, oxide conversion factors and calculations for TREO% and further details are included in Appendix 1 and the associated JORC tables in Appendix 2.

Table 1: Rockchip results greater than 0.5% TREO. Individual element results in ppm.

Sample ID	La	Ce	Pr	Nd	Sm	Eu	Gd	Tb	Dy	Ho	Er	Tm	Yb	Lu	Sc	Y	P	TREO%	NdPr:TREO
ASH0040	1835	3715	415	1454	258	19	177	22	110	20	52	7.7	50	7.7	20	530	4500	0.982	22.4
ASH0041	1893	3834	427	1472	258	18	179	22	111	19	51	7.3	48	7.4	23	516	3800	1.004	22.2
ASH0042	1670	3372	376	1307	228	15	160	20	97.4	17	45	6.5	43	6.4	29	466	3900	0.888	22.3
ASH0043	1730	3488	389	1338	232	22	165	21	114	21	59	8.6	58	9	0	585	4600	0.932	21.8
ASH0049	1608	3209	347	1159	180	14	124	17	89.2	16	44	6.4	41	6.3	0	430	3700	0.823	21.5
ASH0050	2070	4045	431	1406	214	17	148	21	118	23	66	9.8	67	10	23	619	4100	1.050	20.6
ASH0063	1417	2734	312	1091	191	17	136	17	92.5	17	47	6.8	47	7.2	22	474	3900	0.751	22.0
ASH0064	1518	3027	340	1176	205	19	150	19	103	19	52	7.7	53	7.9	21	516	3800	0.819	21.8
ASH0065	1383	2743	306	1058	186	18	132	17	88.2	16	46	6.6	45	6.7	0	448	3400	0.735	21.8

Cazaly's Managing Director Tara French commented, *"The anomalous REE results are extremely encouraging and confirm the extensive 50km regional scale mineralised REE trend at the Ashburton. The REE mineral enrichment could be related to hydrothermal alteration or accumulation of heavy metals within sedimentary layers of the Capricorn Group. Further work is required to determine the nature of the mineralisation."*



Figure 2. Collection of rock chip samples at the Ashburton Project.

BACKGROUND INFORMATION

Historically, limited low-level exploration was conducted by Fortescue Metals Group Ltd (FMG) across the dolomites within the Capricorn Group with eleven (11) rock chip samples collected by FMG and analysed for gold, base metals, and REE (Appendix 1). The results indicate the samples are enriched in REE (notably La, Ce, and Pr). Six (6) of these samples are located along the Blair Fault in the southern part of Cazaly's Ashburton Project area. The samples have elevated REE including: 2,840ppm cerium; 86.5ppm dysprosium; 1370ppm lanthanum; 314ppm praseodymium; and 1,650ppm phosphorus. Neodymium was not reported.

Cazaly recently completed a helicopter supported rock chip sampling program (Figure 2) to determine the prospectivity of the 50km long thorium anomaly and follow up on the previous work conducted by FMG along strike to the south-east. Further details are included in Appendix 1 and 2.

ENDS

For and on behalf of the Cazaly Board

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Tara French (Managing Director) / Mike Robbins (Company Secretary)

Cazaly Resources Limited

ACN 101 049 334

Competent Persons Statement

The information in this report that relates to Exploration Results is based upon information compiled or reviewed by Ms Tara French and Mr Don Horn, who are employees of the Company. Ms Tara French and Mr Horn are both Members of the Australasian Institute of Geoscientists and have 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'. Ms Tara French and Mr Horn both consent to the inclusion of their names 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. Rock chip assays collected within the Capricorn Group at the Ashburton Basin. Element results in ppm.

SampleID	MGA North	MGA East	La	Ce	Pr	Nd	Sm	Eu	Gd	Tb	Dy	Ho	Er	Tm	Yb	Lu	Sc	Y	P	TREO%
ASH0036	7422281	481801	131	269	29	98	18	2	14	2	9.8	2	5	0.8	5	0.8	0	51	700	0.072
ASH0037	7422257	481797	27	65	6	24	5	2	6	1	5.2	1	3	0.4	3	0.3	0	32	700	0.021
ASH0038	7422468	481949	139	273	30	108	19	2	13	2	9.8	2	5	0.8	5	0.8	0	51	1000	0.075
ASH0039	7422608	482378	693	1402	153	532	93	8	64	8	39.5	7	20	2.9	19	2.9	0	204	1800	0.367
ASH0040	7422365	481799	1835	3715	415	1454	258	19	177	22	110.3	20	52	7.7	50	7.7	20	530	4500	0.982
ASH0041	7428023	473090	1893	3834	427	1472	258	18	179	22	110.7	19	51	7.3	48	7.4	23	516	3800	1.004
ASH0042	7428031	473070	1670	3372	376	1307	228	15	160	20	97.4	17	45	6.5	43	6.4	29	466	3900	0.888
ASH0043	7427814	473059	1730	3488	389	1338	232	22	165	21	113.9	21	59	8.6	58	9	0	585	4600	0.932
ASH0044	7423534	469572	107	215	24	81	15	2	11	1	7.9	2	4	0.6	4	0.7	0	42	600	0.059
ASH0045	7420737	478608	813	1653	182	631	110	11	82	10	55.8	10	30	4.4	29	4.3	0	290	2400	0.443
ASH0046	7415961	483248	623	1273	139	476	82	8	61	8	43.2	8	22	3.3	22	3.4	0	228	2800	0.339
ASH0047	7415879	483369	495	997	111	385	67	6	49	6	34.4	6	18	2.6	18	2.7	0	179	2600	0.269
ASH0048	7415886	483353	40	81	9	31	6	1	6	1	3.9	1	2	0.3	2	0.3	0	19	500	0.023
ASH0049	7424039	480357	1608	3209	347	1159	180	14	124	17	89.2	16	44	6.4	41	6.3	0	430	3700	0.823
ASH0050	7424088	480318	2070	4045	431	1406	214	17	148	21	118.4	23	66	9.8	67	10.2	23	619	4100	1.050
ASH0051	7421997	483802	731	1510	175	669	134	12	86	11	53.1	9	25	3.5	23	3.4	0	258	2200	0.419
ASH0052	7422097	483705	827	1660	181	629	114	9	81	10	54.7	10	28	4.2	28	4.2	0	287	3400	0.444
ASH0059	7416965	486375	574	1148	126	440	78	7	57	7	38.0	7	19	2.9	19	2.8	0	194	2300	0.307
ASH0060	7417103	486385	61	122	13	47	8	2	7	1	5.8	1	3	0.5	3	0.4	0	32	800	0.035
ASH0061	7417020	486425	660	1298	143	504	89	8	64	8	44.8	8	23	3.4	23	3.5	20	239	1700	0.356
ASH0062	7416681	494406	861	1748	189	648	113	11	81	10	54.3	10	27	4.1	27	4.1	0	278	2400	0.459
ASH0063	7416737	494323	1417	2734	312	1091	191	17	136	17	92.5	17	47	6.8	47	7.2	22	474	3900	0.751
ASH0064	7415198	496864	1518	3027	340	1176	205	19	150	19	102.5	19	52	7.7	53	7.9	21	516	3800	0.819
ASH0065	7415217	496818	1383	2743	306	1058	186	18	132	17	88.2	16	46	6.6	45	6.7	0	448	3400	0.735
ASH0070	7416454	530306	200	393	44	156	29	4	23	3	18.1	4	10	1.5	9	1.4	0	107	2100	0.114
ASH0071	7416392	530271	727	1445	158	564	97	9	71	9	48.7	9	25	3.6	24	4	0	249	2800	0.390

FMG surface sampling results. Samples located within the Ashburton Project area are highlighted below. Element results in ppm. NR = Not Reported

SampleID	MGA North	MGA East	La	Ce	Pr	Nd	Sm	Eu	Gd	Tb	Dy	Ho	Er	Tm	Yb	Lu	Sc	Y	P	TREO%
X636651	7409459	507402	2190	4440	464	NR	229	14	156	21.6	122	21.6	57.5	8.2	55	8.8	12	608	700	0.943
X636652	7409458	507380	454	1040	113	NR	67	5	50	6	30.5	5.4	14	1.8	12.5	1.8	10	156	550	0.221
X636653	7409468	507355	4580	9790	1170	NR	677	47.5	476	54.8	280	47	122	16.8	109	17	19	1450	950	2.117
X636654	7409476	507356	1650	3440	380	NR	237	15.5	168	20.2	103	17.2	43.5	5.8	38.5	6	12	498	500	0.745
X636655	7409481	507359	3340	6700	668	NR	266	19	214	31	184	33.6	93	13.2	88.5	13.2	18	957	1100	1.417
X636657	7422612	482382	150	262	36.8	NR	24.5	3	20	3	14.5	2.8	7	1.2	7.5	1	4	86	750	0.071
X636658	7422612	482383	569	1360	142	NR	83	6	56	6.2	34.5	6.2	15.5	2.6	14.5	2.2	10	183	750	0.279
X636659	7422458	481918	1370	2840	314	NR	194	15	136	16.2	86.5	15.2	41.5	5.6	40.5	6.4	15	443	1650	0.622
X636660	7422455	481915	37.5	58	9.6	NR	6	1	6	0.8	3.5	0.8	2	0.4	2	0.2	5	17	500	0.017
X636661	7414832	497531	1170	2510	267	NR	162	13.5	118	14.6	78.5	13.2	37	5.6	35.5	5.6	15	401	1500	0.545
X636662	7414827	497529	91	196	22.8	NR	16	1.5	14	1.6	8	1.6	4	0.6	4	0.6	3	45	700	0.046

COMMENTS REGARDING THE REPORTING OF OTHER ENTITIES EXPLORATION RESULTS

- The Exploration Results reported above have previously been reported by Fortescue Metal Group Ltd (FMG). Refer to WAMEX reports A109907 and A115197.
- Conversion factors were used to calculate TREO intercepts as follows:

TREO Calc (Total Rare Earth Oxide) =

$\text{La}_2\text{O}_3 + \text{CeO}_2 + \text{Pr}_6\text{O}_{11} + \text{Nd}_2\text{O}_3 + \text{Sm}_2\text{O}_3 + \text{Eu}_2\text{O}_3 + \text{Gd}_2\text{O}_3 + \text{Tb}_2\text{O}_3 + \text{Dy}_2\text{O}_3 + \text{Ho}_2\text{O}_3 + \text{Er}_2\text{O}_3 + \text{Tm}_2\text{O}_3 + \text{Yb}_2\text{O}_3 + \text{Lu}_2\text{O}_3 + \text{Sc}_2\text{O}_3 + \text{Y}_2\text{O}_3$

Stoichiometric conversion factors:

$\text{La} \times 1.1728 \rightarrow \text{La}_2\text{O}_3$; $\text{Ce} \times 1.2284 \rightarrow \text{CeO}_2$; $\text{Pr} \times 1.1703 \rightarrow \text{Pr}_6\text{O}_{11}$

$\text{Sm} \times 1.1596 \rightarrow \text{Sm}_2\text{O}_3$; $\text{Eu} \times 1.1579 \rightarrow \text{Eu}_2\text{O}_3$; $\text{Gd} \times 1.1526 \rightarrow \text{Gd}_2\text{O}_3$

$\text{Tb} \times 1.1762 \rightarrow \text{Tb}_4\text{O}_7$; $\text{Dy} \times 1.1477 \rightarrow \text{Dy}_2\text{O}_3$; $\text{Ho} \times 1.1455 \rightarrow \text{Ho}_2\text{O}_3$

$\text{Er} \times 1.1435 \rightarrow \text{Er}_2\text{O}_3$; $\text{Tm} \times 1.1421 \rightarrow \text{Tm}_2\text{O}_3$; $\text{Yb} \times 1.1387 \rightarrow \text{Yb}_2\text{O}_3$

$\text{Lu} \times 1.1371 \rightarrow \text{Lu}_2\text{O}_3$; $\text{Sc} \times 1.5338 \rightarrow \text{Sc}_2\text{O}_3$; $\text{Y} \times 1.2699 \rightarrow \text{Y}_2\text{O}_3$

APPENDIX 2

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	<p>Rock Chips</p> <p>Rock Chips were collected by Cazaly staff and submitted for analysis. Rock chips are collected at selected locations and often subject to bias. They can be difficult to duplicate due to the heterogenous nature of many styles of mineralisation.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>Rock chips have been collected by Cazaly to assist in characterising different lithologies, alterations and mineralisation.</p> <p>Multiple samples are often collected from a single locality to assist with understanding these 3 factors.</p> <p>Rock chips were taken with the intention to best represent each outcrop. Individual rock samples can be biased towards higher grade mineralisation due to their heterogeneity when compared to other methods like soil sampling and drilling.</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>Rock chips targeting REE were submitted to Intertek Laboratories in Perth for determination of Rare Earth Elements by Sodium Peroxide Fusion ICP-MS/OES (Intertek Method FP6/OM55).</p> <p>Samples targeting potential base metal/gold mineralisation were submitted for analysis by Aqua Regia ICP-MS (Intertek method AR25/MS33)</p> <p>Rock chip samples are typically 1-2 kg. The entire sample received by the laboratory is crushed and pulverised to 85% passing 75 micron.</p> <p>FMG Rock Chips</p> <p>Rock chips collected by Fortescue Metals Group were submitted to Bureau Veritas (previously Ultratrace) Laboratories for analysis by a combination of peroxide fusion ICP-MS/OES for REE, Four Acid Digest ICP-MS/OES for base metals and Aqua Regia ICP-MS for Gold. Lab codes for analytes are: ICP102, ICP302, ICP104, ICP304 and AR001. Details of these analyses have been obtained from WAMEX items A109907 and A115197.</p>
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	<p>Rock chip sample locations were marked with handheld GPS and waypoints were recorded in the field. Geological descriptions of each sample were recorded.</p>
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	<p>Geological notes are qualitative in nature. No instruments were used to take quantitative measurements in field.</p>
	<i>The total length and percentage of the relevant intersections logged.</i>	<p>Geological notes were taken for all point samples collected.</p>

<i>Sub-sampling techniques and sample preparation</i>	<i>For all sample types, the nature, quality, and appropriateness of the sample preparation technique.</i>	<p>Entire rock chip samples were submitted to the lab. Pulverisation to 85% passing 75 micron is considered appropriate for the subsequent analysis via Fusion/Aqua Regia.</p> <p>FMG Rock Chips Sample preparation details were not reported</p>
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	No QAQC samples were inserted into lab jobs
	<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>	No duplicate samples were taken
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Sample sizes of 1-2kg are considered adequate for this type of sampling which provides ample material for analysis.
<i>Quality of assay data and laboratory tests</i>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<p>Sodium peroxide fusions are considered a total digest and are useful for samples in which the elements of interest are hosted in minerals that may resist acid digestions. These include, amongst others, minerals and ores containing rare earth elements (REE) and the high field strength elements (HFSE).</p> <p>Aqua regia digestion is a classical empirical digestion technique with successful global application in geochemical exploration. Most oxide, sulphide and carbonate minerals are digested, however, refractory minerals and most silicates may be only partially decomposed. Recovery levels will vary between the elements and sample matrices.</p> <p>Four acid digestion offers a “near total” dissolution of almost all minerals species, targeting silicates not dissolved in less aggressive aqua regia digests.</p>
	<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 geophysical, geochemical tools were used in the field.
	<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>	No QAQC samples were submitted with rock chips.
<i>Verification of sampling and assaying</i>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Validity of significant results has been assessed by Cazaly geologists. Considering the historical results and the geological observations results were deemed acceptable.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Field data is collected using a field notebook and handheld GPS. Data is downloaded daily to QAQC in a GIS program to validate spatial data. Data entry is performed in the field. Chain of Custody was completed by the site project geologist. Final data validation is performed in the Perth office before upload to the Company database.
	<i>Discuss any adjustment to assay data.</i>	<p>No adjustments have been made to assay data received from base metal targeting base metal mineralisation with aqua regia.</p> <p>Stoichiometric conversions for samples that targeted REE have been applied to convert results to their oxide equivalent and then totalled to give TREO (Total Rare</p>

		Earth Oxide). These conversions can be found in the body of the announcement.
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.	Sample positions were located with a handheld GPS (+3m).
	Specification of the grid system used.	All co-ordinates collected are in GDA94 / MGA zone 50
	Quality and adequacy of topographic control.	Sample elevation is determined by draping sample points onto a digital terrain model determined from satellite data. This is considered adequate for this form of sampling.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Samples were targeted on points of geological interest and not on any specific sample spacing or grid system.
	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.	Rock chips are not appropriate for incorporation into mineral resource estimates.
	Whether sample compositing has been applied.	No sample compositing has been applied.
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.	Sample sites were picked along a broad stratigraphic trend in the case of REE targeted samples. All sampling targets the unit with a high thorium response.
Sample security	The measures taken to ensure sample security.	Samples were stored on site, until delivery to Intertek laboratory in Perth. 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 location data has been carried out by Cazaly geologists through GIS software.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	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 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.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	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 U3O8 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

		<p>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 & 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 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). Most relevant to the current work: Rare earth elements were targeted by FMG geologists in dolomites and dolomitic sandstones of the Mooline formation of the Capricorn Group. Some sporadic rock chips have been taken and assayed along the same trend Cazaly is now investigating. FMG sampling was limited and no documented follow up work completed after two small work programs detailed in WAMEX items A109907 and A115197.</p>
Geology	Deposit type, geological setting, and style of mineralisation.	<p>At this early stage, the potential mineralisation style is unclear. Minerals containing rare earth elements typically have a high specific gravity, greater than that of quartz and dolomite. The Mooline formation is thought to have been deposited in a shallow marine environment leaving potential for a preserved paleo-strandline environment responsible for concentrating heavy minerals.</p> <p>FMG geologists postulated a secondary enrichment of rare earth elements as a result of later hydrothermal alteration. Due to the extensive</p>

		faulting and folding present in the Capricorn group as a result of Capricorn orogenic events there is also potential for this to be the sole source or an upgrading event that resulted in anomalous concentrations of minerals host to rare earth elements.
<i>Drill hole Information</i>	<p><i>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:</i></p> <ul style="list-style-type: none"> o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. <p><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p>	No drilling has been conducted.
<i>Data aggregation methods</i>	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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>	No drilling has been conducted.
<i>Relationship between mineralisation widths and intercept lengths</i>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></p>	No drilling has been conducted.
<i>Diagrams</i>	<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 the announcement.
<i>Balanced reporting</i>	<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>	Results from all collected samples have been reported in this announcement.
<i>Other substantive exploration data</i>	<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 material information available has been reported in the announcement.
<i>Further work</i>	<i>The nature and scale of planned further work (eg 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.</i>	Potential planned work includes petrography to determine mineralogy and possible trenching along outcropping mineralisation to understand the width and dispersion of mineralisation through the target unit.