

Quarterly Activities Report for June 2023

Highlights

- **Binding acquisition agreement signed for large scale, highly prospective Sundown lithium project in Canada's James Bay lithium province**
 - Sundown strategically located between Patriot Battery Metals' discovery at Corvette (incl 122.6m @ 1.89% Li₂O) and Allkem's James Bay Lithium deposit
 - Large >260km² tenure package, unexplored for lithium, containing +200 pegmatite outcrops
- **Major rare earth element exploration opportunity secured with the Carb Lake project acquired in Canada's Red Lake mining district**
 - Large carbonatite complex 2.5 to 3km in diameter which coincides with major magnetic anomaly
 - Only tested by four shallow drill holes in 1968 which returned >5% Ce, >1% La, 0.5% Nb – no other REEs analysed
 - Field reconnaissance planning underway
- **AuKing completes positive scoping study on Halls Creek Copper Project, WA**
 - Exceptionally positive results highlight economic viability of mining at four sites, including Cazaly's Mt Angelo North and Bommie prospects
- **Channel sampling planned across the Capricorn formation to better define the distribution of REE mineralisation across this stratigraphic unit at the Ashburton Project, WA.**

Cazaly Resources Limited (ASX: CAZ, "Cazaly" or the "Company") is pleased to submit this activities report for the June 2023 quarter, in which the Company significantly enhanced its exposure to battery and critical minerals markets through the strategic execution of acquisition agreements for two highly prospective projects located in Canada.

Commenting on the period, Managing Director, Tara French said:

"Cazaly is delighted to secure the Sundown lithium project in the James Bay lithium province in Canada, as well as the outright acquisition of the Carb Lake rare earth project in Canada's Red Lake mining district. These are two exciting additions to our portfolio which have remained relatively untested, despite very intriguing historical results. The Cazaly team cannot wait to start conducting modern, systematic exploration to further improve our understanding of the potential scale on offer at Sundown and Carb Lake.

I am exceptionally pleased with the project identification and due diligence work Cazaly has conducted to develop two fantastic growth opportunities in one of the world's top destinations for minerals exploration.

Meanwhile, progress has also continued at Cazaly's other assets during the quarter, namely the positive scoping study completed by AuKing which modelled operations at the Company's Halls Creek and Bommie copper projects.

Cazaly has a demonstrated history in value accretive project identification, development, and divestment of assets, and returns to shareholders. With two major acquisition opportunities this quarter we are even better placed to continue the business model with a view to progress the best assets to development."

PROJECTS – CANADA

SUNDOWN LITHIUM PROJECT

In May'23, the Company announced it had entered into a binding agreement to acquire the Sundown Lithium project, located in the world-class James Bay lithium province¹. The region is an emerging world class lithium district, host to several advanced lithium projects and new lithium discoveries.

The Sundown lithium project is a large-scale project covering ~260km² and has over 200 outcropping pegmatites reported across the tenure, providing excellent potential for new hard rock lithium discoveries.

The Sundown lithium project (Figure 1) is located between Allkem's (ASX:AKE) James Bay deposit with a lithium reserve of 37.2Mt at 1.3% Li₂O, and Patriot Battery Metals (ASX:PMT) Corvette Lithium Discovery which is host to 70 lithium bearing pegmatites over a 214km² land package.

Further recent successes in the region include Critical Elements' Rose deposit (37.2Mt @ 0.94% Li₂O), Nemaska's Whabouchi deposit (36.6Mt @ 1.3% Li₂O) and Winsome Resources' (ASX:WR1) Cancet exploration target with 15-25Mt @ 1-2% Li₂O.



Figure 1. The Sundown Lithium Project, James Bay District

The Sundown claims have received little modern exploration activity and the significant number of reported pegmatites is the result of exploration conducted by the Québec Ministry of Natural Resources and Forestry (MERN), which included rock chip sampling and lake bottom sediment sampling with a focus on gold – lithium was not assayed.

¹ See ASX Announcements dated: 31 May 2023 & 1 June 2023

Cazaly continues to progress due diligence at Sundown and subject to project acquisition, an initial field reconnaissance mapping and rock chip sampling program will be conducted to assess the large number of documented outcropping pegmatites for spodumene and lithium mineralisation. This will inform Cazaly's exploration strategy to drill test the best targets in the subsequent phase of exploration.

CARB LAKE RARE EARTH ELEMENTS PROJECT

In April'23, Cazaly announced it had secured an option agreement to acquire the Carb Lake rare earth elements project and completed this acquisition in June, following extensive due diligence². The Project is located in the Red Lake district in Ontario, Canada (Figure 2) and comprises 93 mineral claims covering a large carbonatite prospective for Rare Earth Elements (REE).



Figure 2. Location of the Carb Lake REE Project, Red Lake District NW Ontario.

The Carb Lake carbonatite complex has had very limited modern exploration. A large circular aeromagnetic anomaly was identified in 1967 and drill tested for niobium at the southern, predominantly more magnetic zones of the intrusive complex. Four diamond holes were completed for 564m, the only drilling ever completed over the Project.

² See ASX Announcements dated: 27 April, 3 May & 14 June 2023

Results confirmed the presence of a large carbonatite complex, which are excellent targets for REE exploration. Much of the world's mined light REEs and niobium occurs from carbonatite mineralisation.

Further work was conducted in 1969 by the Ontario Department of Mines, Geological Survey re-assaying eighteen samples from DD003 and DD004 for three rare earths: lanthanum (La), cerium (Ce), and niobium (Nb). The best results reported were from DD004 with two samples reporting >5% Ce and >1% La.

In 1978 the Geological Survey again re-assayed these holes and results returned up to 5,620ppm Ce with one sample returning a value of 7.1% Nb.

Finally, in 2011 South American Rare Earth Corporation (SAREC) conducted an airborne magnetic/radiometric survey and an enzyme leach geochemical survey over the complex. The aeromagnetic image shows the variability in magnetic response across the carbonatite complex. The highest magnetic response is across the southern portion of the carbonatite and partial ring structures around the centre of the carbonatite complex possibly represent multiple intrusive phases.

As part of the due diligence process Cazaly has gained access to the historic diamond drill core. The core is very narrow, 22mm in diameter and is mostly from drill holes DD001 and DD002. Holes DD003 and DD004 have been mostly consumed by historical analytical work. Nonetheless, geological observations* were consistent with historical reported work and support the prospective nature of the prospect.

A pXRF program was planned to test available drill core for rare earth elements. Following completion of this initial drill core testing and acquisition of the geophysics, a field reconnaissance program will be refined. The program has been planned to initially assess the project with surface mapping, float and rock sampling where possible, and determine the accessibility of future drill site locations. The field-based program is expected to commence in late August following receipt of appropriate land access approvals.

PROJECTS - AUSTRALIA

HALLS CREEK COPPER PROJECT

In June'23, Cazaly received positive scoping study results from AuKing Mining Limited's Koongie Park copper-zinc project which included mineralisation from the Company's 100%-owned Halls Creek and Bommie copper deposits³ (Figure 3). In late 2022, Cazaly executed a Memorandum of Understanding (MoU) with AuKing to include the Halls Creek project into the study.

The AuKing study assesses four deposits, including the mineral resources at the Company's Mt Angelo North (1.72Mt @ 1.4% Cu, 1.4% Zn and 12.3g/t Ag) and Bommie (MRE: 95.6Mt @ 0.27% Cu) deposits.

The AuKing scoping study confirms the potential for a financially robust, globally competitive operation with life-of-mine of 11 years with an estimated total production of 110kt Cu, 38kt Zn and 355koz Ag.

³ See ASX Announcement dated: 1 June 2023

The strong project economics and financial returns produced a pre-tax NPV_{8%} of approximately A\$176.9M and a 39.7% IRR. The estimated payback period is 2.45 years after incurring pre-production Capex of A\$134M.

The full scoping study results are included in Cazaly's ASX announcement titled: "AuKing Completes Scoping Study on Halls Creek Copper Project" dated 1 June 2023.

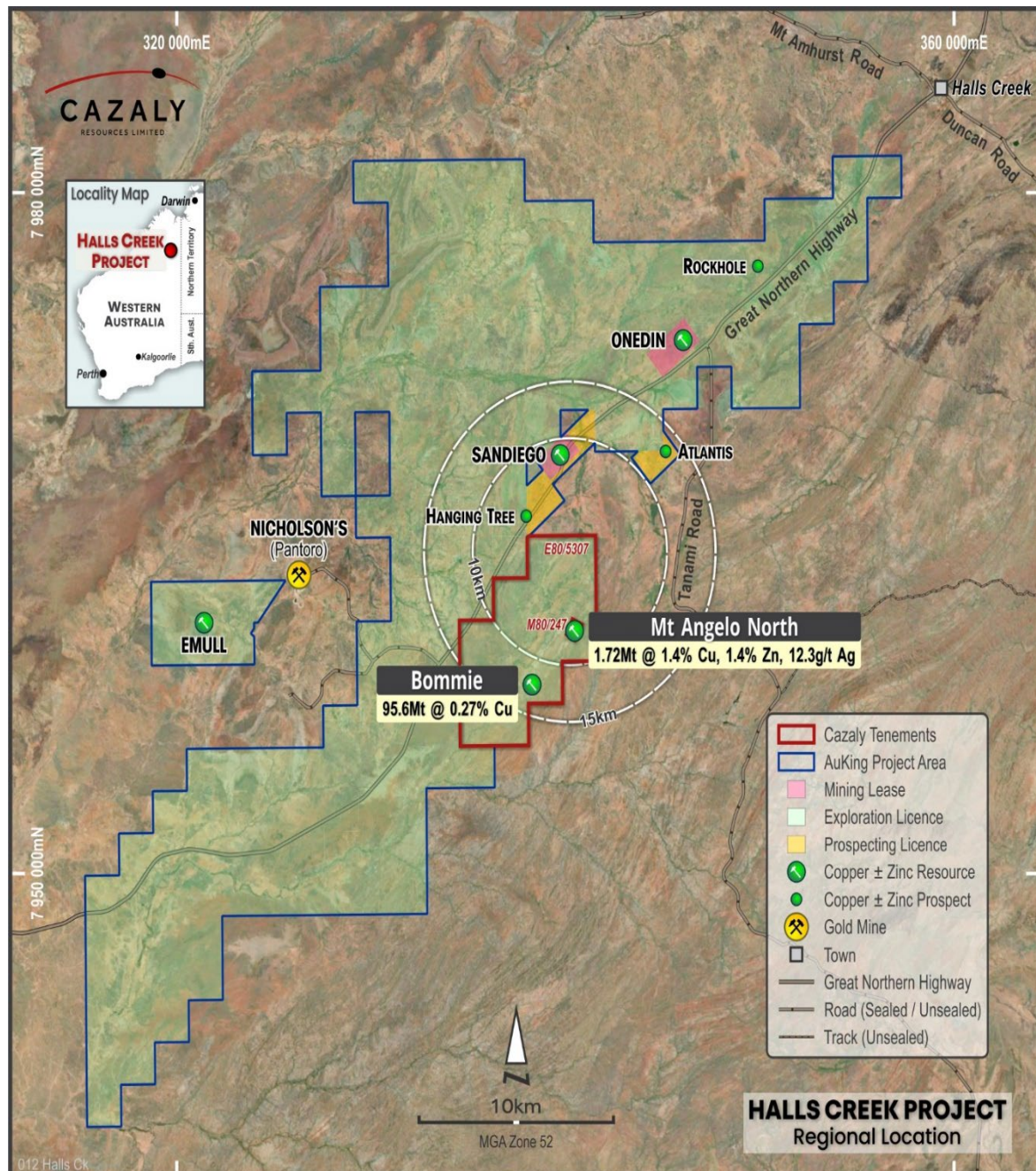


Figure 3. Location of Halls Creek Copper Project including mineral resources at Mount Angelo North Cu-Zn-Ag sulphide deposit and Bommie porphyry copper deposit

Halls Creek Mineral Resources

Mineral Resource Estimates are reported in accordance with the JORC Code 2012 and are detailed in the tables below by resource classification and weathering state.

Mount Angelo North Cu-Zn-Ag Deposit

The Mount Angelo North mineral resource estimate is reported as **1.72Mt @ 1.4% Cu, 1.4% Zn, 12.3ppm Ag** (using 0.4% Cu lower cut) for **23,000 tonnes copper, 25,000 tonnes zinc, 680,000 ounces of silver**.

Table 1. Mount Angelo North Cu-Zn-Ag Deposit, Mineral Resource Estimate (0.4% Cu cut-off), January 2022.

Type	Indicated				Inferred				Total			
	TONNES Metric	Cu %	Ag ppm	Zn %	TONNES Metric	Cu %	Ag ppm	Zn %	TONNES Metric	Cu %	Ag ppm	Zn %
Oxide	149,000	1.4	21	0.9	67,500	0.9	9	0.9	216,000	1.2	17	0.9
Transitional	158,000	1.7	16	1.5	157,000	1.2	7	0.6	316,000	1.4	12	1.1
Fresh	699,000	1.7	13	1.8	487,000	1.0	10	1.4	1,187,000	1.4	12	1.6
Total	1,007,000	1.6	15	1.6	712,000	1.0	9	1.2	1,719,000	1.4	12	1.4

For further technical information please refer to the Cazaly ASX Quarterly Activities Report for December 2021 (dated 31 January 2022).

Bommie Porphyry Copper Deposit

The Bommie Porphyry Copper maiden mineral resource estimate is reported as **95.6Mt @ 0.27% Cu for 262,000 tonnes copper metal** (using 0.2% Cu lower cut) and includes **16Mt @ 0.3% Cu of indicated material for 48,000 tonnes copper metal**.

Table 2. Bommie Porphyry Copper Deposit, Maiden Mineral Resource Estimate (0.2% Cu cut-off), November 2022.

Type	Indicated			Inferred			Total		
	TONNES Metric	Cu %	Cu metal Tonnes	TONNES Metric	Cu %	Cu metal Tonnes	TONNES Metric	Cu %	Cu metal Tonnes
Oxide	212,000	0.29	1,000	1,108,000	0.27	3,000	1,320,000	0.27	4,000
Transitional	2,799,000	0.30	8,000	6,978,000	0.28	19,000	9,777,000	0.27	28,000
Fresh	3,091,000	0.30	39,000	71,380,000	0.27	190,000	84,471,000	0.27	230,000
Total	16,102,000	0.30	48,000	79,466,000	0.27	212,000	95,568,000	0.27	262,000

For further technical information please refer to the Cazaly ASX announcement dated 24 November 2022.

ASHBURTON BASIN RARE EARTH ELEMENTS, GOLD AND BASE METALS PROJECT

Cazaly's Ashburton project spans 2,450km² in the Ashburton Basin, in the Pilbara region of Western Australia (Figure 4). The Ashburton Basin forms the northern part of the Capricorn Orogen, a ~1,000km long, 500km wide region of variably deformed metamorphosed igneous and sedimentary rocks located between the Yilgarn and Pilbara cratons.

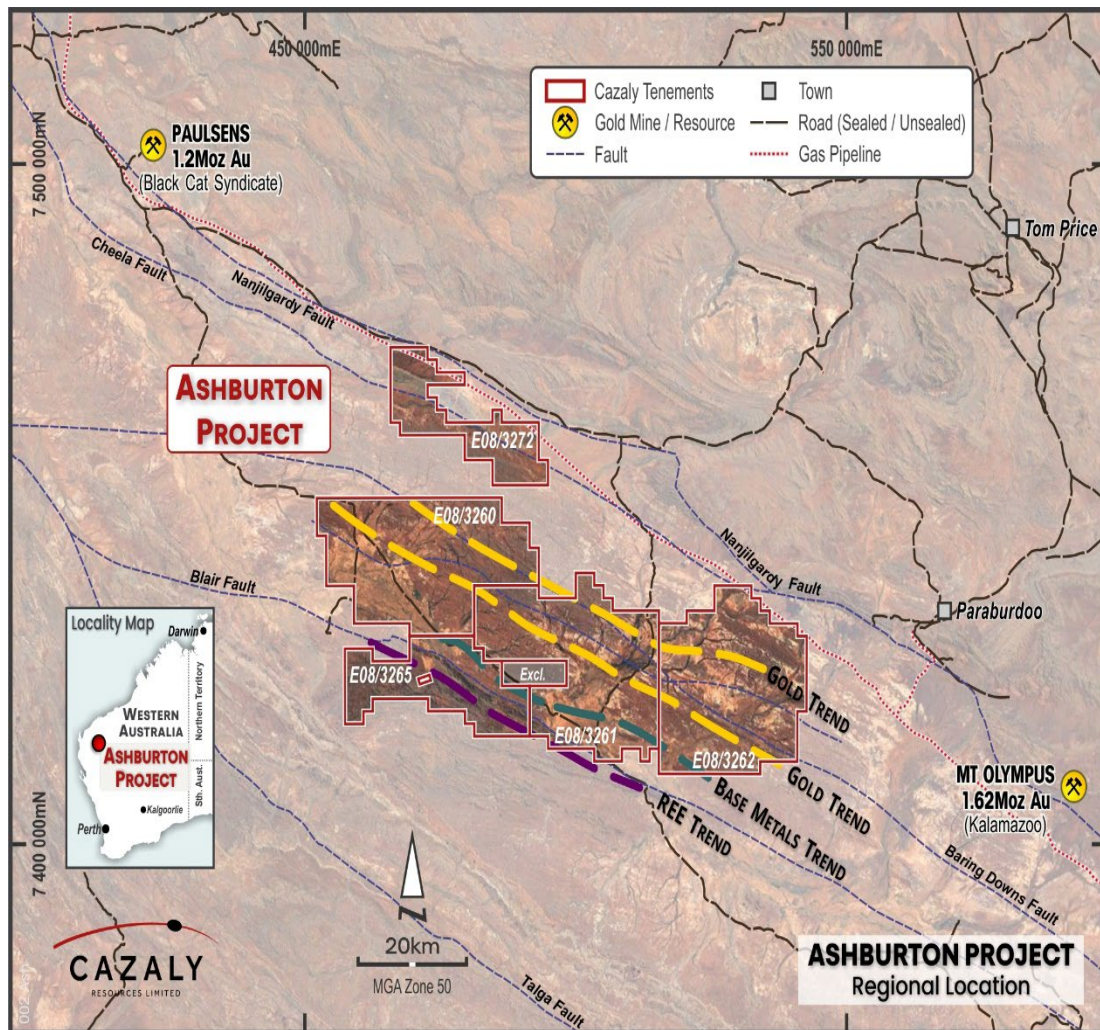


Figure 4. The Ashburton Project and the location of multiple +50km, regional scale, mineralised trends.

The Ashburton project covers major regional structures considered to be highly prospective for gold, base metals and REE mineralisation. The project area presents an excellent opportunity for discovery of large mineralised systems along the major regional scale structures, which to date have seen very little modern exploration.

During the June'23 quarter, the Company planned follow up surface sampling across the REE trend where previous helicopter supported surface sampling returned seven (7) samples with anomalous TREO above 0.5% with two (2) samples above 1% TREO (refer Cazaly ASX Announcement dated 14 February 2023). This second phase of sampling will include close spaced surface rockchip sampling and geological mapping to provide more information on the style, width, and distribution of the REE mineralisation.

PROJECTS – NAMIBIA

ABENAB RARE EARTH ELEMENTS & BASE METALS PROJECT (95%)

The application for a new exploration licence (EPL 9110 - Abenab North) is pending approval. The project is located in the northern region of Namibia through its 95% owned local subsidiary company Philco One Hundred and Seventy-Three (Proprietary) Limited ("Philco"). The Abenab North project application has no competing applications and covers an area of approximately 790 km² (Figure 5). The project is considered to be highly prospective for base metals and Rare Earth Elements (REE) mineralisation as evidenced from the results of previous but limited exploration.

The project lies in the Otavi Mountain Land region of northern Namibia located approximately 450km by road from the capital of Windhoek in an area comprising the towns of Tsumeb and Grootfontein. The region is a significant well mineralised base metals province with historic production from several mines including Tsumeb, Kombat, Abenab and the Berg Aukas mines. Tsumeb is a world-famous Cu-Pb-Zn-Ag-Ge-Cd mine renowned for its wealth of rare and unusual minerals and was mined from 1897 to 1996.

The Environmental Impact Assessment (EIA) and draft Environmental Management Plan (EMP) were completed by Alliance Environmental Consultancy, covering all proposed activities that will be conducted within the license area such as surface sampling, geophysical surveys, and drilling. As part of the EIA process, an Environmental Scoping Assessment and an independent Heritage Impact study were completed. The EIA and EMP were submitted to both the Ministry of Mines and Energy and the Ministry of Environmental Forestry and Tourism.

KAOKO LITHIUM PROJECT (CAZ 95%)

The Kaoko Lithium Project is located in northern Namibia, approximately 800km by road from the capital of Windhoek and approximately 750km from the port of Walvis Bay (Figure 5). The area has excellent infrastructure, with the Project only 50 km away from Opuwo, the regional capital, which has an airport and well-maintained bitumen roads. In addition, the Project has access to the 320 MW Ruacana hydroelectric power station, and transmission lines that run through both the western and eastern parts of the Project.

Cazaly previously identified a large lithium in soil anomaly at the *Ohevanga* Prospect measuring 12km x 10km. The anomaly was defined with broadly spaced surface samples collected across a 1km grid and has recently been followed up with infill surface sampling to better define and confirm the target. For further technical details please refer to the ASX announcement dated 24 March 2023.

An application for a two-year licence extension is pending.



Figure 5. Location of Namibian Critical Mineral Projects.

JV PROJECTS

No on-ground exploration activities were conducted at the *Mount Venn JV Project* managed by Woomera Mining Ltd (WML 80% CAZ 20%). WML continued discussions to schedule a heritage survey at Mount Cornell.

No on-ground exploration activities were conducted at the *McKenzie Springs JV Project* managed by Fin Resources Ltd (FIN 70% CAZ 30%). FIN planned a gridded soils programme to identify new drill targets for nickel, copper, graphite and other base/precious metals over the Springs Creek intrusive complex located northeast of the project area. A field trip to Mackenzie Springs is planned for the upcoming dry season, once access is available.

ROYALTY PROJECTS

Mineral Resources Limited (ASX: MIN) continued production activities at the Parker Range Iron Ore Mine. Cazaly, as the royalty holder, is entitled to receive A\$0.50/tonne of iron ore produced from the mine, once the first 10 million tonnes of production have been reached. Based on the latest forecast, it is expected that the target of 10 million tonnes will be achieved in the second half of calendar year 2025.

Following the sale of the Hamersley Iron Ore Project in 2021 to Equinox Resources Limited (ASX:EQN) the Company holds 15,000,000 EQN shares and 2,850,000 performance shares and retains a royalty interest of US\$0.30/tonne in the project. The project is located in the heart of the Pilbara iron ore province and currently has a total Mineral Resource estimate of **343.2 Mt at 54.5% Fe** (*reported in compliance with JORC Code 2012 - refer to Pathfinder's ASX Announcement dated 24 January 2020*). Equinox continues to advance feasibility studies to progress the development planning in the Project.

CORPORATE

Appendix 5B Summary

For the quarter ending 30 June 2023, the Company's net cash outgoings were \$607k. This included \$422k of direct costs associated with field exploration activities including geological reconnaissance field trips, data acquisition, geochemical surface sampling and assaying, geophysical modelling, and other activities as reported in the Projects section above. Payments to related parties and their associates include directors' fees of \$60k apportioned to corporate activities (per item 6.1), and \$87k apportioned to exploration activities (per item 6.2). As of 30 June 2023, the Company had \$3.8M in cash (per item 4.6).

The Company had cash and investments of approximately \$6.7 million at 30 June 2023.

The Cazaly Board authorises the release of this June 23 Quarterly Activities Report and Appendix 5B dated 27 July 2023.

ENDS

For and on behalf of the Cazaly Board

For further information please contact:

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

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The information in this report that relates to Resource Estimates, Exploration targets and Exploration results is extracted from previous company announcements to the ASX, all are available to view on <https://www.cazalyresources.com.au>. The Company confirms that it is not aware of any new Exploration information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Competent Persons Statement

The information contained herein 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.

⁽¹⁾ The information in this report that relates to the Mount Angelo North Mineral Resource is based on information compiled by Ms Vanessa O'Toole Principle Consultant of Honey Mining and Resources Pty Ltd, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Vanessa O'Toole consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

⁽²⁾ The information in this report that relates to the Bommie porphyry copper mineral resource estimation is based on work completed by Mr. Stephen Hyland, a Competent Person and Fellow of the AusIMM. Mr. Hyland is Principal Consultant Geologist with Hyland Geological and Mining Consultants (HGMC), who is a Fellow of the Australian Institute of Mining and Metallurgy and holds relevant qualifications and experience as a qualified person for public reporting according to the JORC Code in Australia. Mr Hyland is also a Qualified Person under the rules and requirements of the Canadian Reporting Instrument NI43-101. Mr Hyland consents to the inclusion in this report of 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.

INTERESTS IN MINING TENEMENTS AS AT 30 JUNE 2023

Managed by the Company:

Tenement	Project Name	% Interest
M80/0247	MT ANGELO	100
E80/5307	HALLS CREEK	100
E 08/3260	KOOLINE	100
E 08/3261	NEW FINISH	100
E 08/3262	STONE WELL	100
E 08/3265	CAPRICORN	100
E 08/3272	HARDEY RIVER	100
*E 28/3275	KURNALPI	100
*E 45/6385	MARBLE BAR	100
*E 52/4120	LOFTY	100
E 52/4212	EGERTON	100
*E 52/4233	ABRA NORTH	100
*E 52/4234	GLEN ROSS	100

*applications

Joint Venture Tenements not Managed by the Company:

Tenement	Project Name	% Interest
E80/4808	MCKENZIE SPRINGS	30
E38/3111	MOUNT VENN	20
E38/3150	MOUNT VENN	20
E38/3581	MOUNT VENN	20
E09/2346	ERRABIDDY	20
E31/1019	CAROSUE	10
E31/1020	CAROSUE	10
M31/0427	CAROSUE	10

International Interests Namibia:

Tenement	Project Name	% Interest
EPL 6667	KAOKO	95
*EPL 9110	ABENAB NORTH	95

*applications

International Interests Canada:

Tenement	Project Name	% Interest
688612	Carb Lake REE	100
688613	Carb Lake REE	100
688614	Carb Lake REE	100
688601	Carb Lake REE	100
688602	Carb Lake REE	100
688603	Carb Lake REE	100
688604	Carb Lake REE	100
688605	Carb Lake REE	100
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688581	Carb Lake REE	100
688582	Carb Lake REE	100
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688585	Carb Lake REE	100
688586	Carb Lake REE	100
688587	Carb Lake REE	100
688541	Carb Lake REE	100

Tenement	Project Name	% Interest
688537	Carb Lake REE	100
688542	Carb Lake REE	100
688543	Carb Lake REE	100
688544	Carb Lake REE	100
688545	Carb Lake REE	100
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688595	Carb Lake REE	100
688624	Carb Lake REE	100
688626	Carb Lake REE	100
688637	Carb Lake REE	100
688532	Carb Lake REE	100

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

CAZALY RESOURCES LIMITED

ABN

23 101 049 334

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	52	185
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(44)	(166)
	(e) administration and corporate costs	(210)	(914)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	33	123
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	(16)	164
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(185)	(608)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(166)	(166)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(422)	(2,716)
	(e) investments	(100)	(232)
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	450	603
	(e) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	40	49
2.6	Net cash from / (used in) investing activities	(198)	(2,462)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – Return of Capital	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,176	6,863
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(185)	(608)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(198)	(2,462)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,793	3,793

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	234	169
5.2	Call deposits	3,559	4,007
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,793	4,176

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	60
6.2	Aggregate amount of payments to related parties and their associates included in item 2	87
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Includes fees, salaries and super paid to Managing Director, Executive Director and Non-Executive Directors</p>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(185)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(422)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(607)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,793
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,793
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	6.2
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: NA	
	8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: NA	
	8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: NA	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 July 2023

Authorised by: **The Board of Cazaly Resources Limited**
Mike Robbins (Company Secretary)
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal