Kaoko Kobalt Project, Namibia

CAZALY
RESOURCES LIMITED

Large scale, cobalt-copper project in a newly emerging cobalt province in Namibia

March 2018

Disclaimer and Important Information

Competent Person's Statement

The information contained herein that relates to Exploration Results, Mineral Resources, Targets or Ore Resources and Reserves is based on information compiled or reviewed by Mr Clive Jones, who is an employee of the Company. Mr Jones is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and types 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 Jones consents to the inclusion of his name in the matters based on the information in the form and context in which it appears.

Disclaimer

Certain statements contained in this presentation, including information as to the future financial or operating performance of Cazaly Resources Limited and its projects, are forward-looking statements that:

- May include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;
- Are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Cazaly Resources Limited, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,
- Involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

COMMENTS REGARDING THE REPORTING OF ANOTHER ENTITIES EXPLORATION RESULTS

- The results and some technical information reported herein have previously been reported by Kunene Resources Limited ("KNE") or INV Metals Ltd ("INV") and not Cazaly Resources Ltd ("CAZ")
- All data was sourced from data as reported in various KNE ASX releases and reports dated;
  - ☐ 3 June 2014: Update on exploration at Kaoko Project, Namibia
  - ☐ 3 September 2014: Update on exploration at Kaoko Project, Namibia
  - ☐ 14 April 2015: 4 Projects to be drilled at Kaoko Project, Namibia
  - ☐ 21 July 2015: First copper-cobalt discovery in Namibia confirmed by drilling

  And from INV Metals Inc. report;
  - ☐ 14 March 2012: Technical Report on the Kaoko Copper-Silver property in Northwest Namibia
- The results for KNE were reported under the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves
- The information reported by INV Metals Inc. conforms to TSX National Instrument 43-101 Standards for Disclosure of Mineral Projects
- A summary of work conducted can be found in the several ASX releases by KNE
- The information in the announcement is an accurate representation of the available data for project
- The Exploration Results were reported in accordance with the JORC Code 2012
- Nothing has come to the attention of Cazaly that causes it to question the accuracy or reliability of the former owner's Exploration Results, however Cazaly has yet to independently validate the former owner's Exploration Results and therefore is not to be regarded as reporting, adopting or endorsing those results.

KAOKO KOBALT Project

Option to earn the right to 95% interest*

HIGHLIGHTS

- Located in the Kunene Cobalt Province, Northern Namibia
- Hosts the possible continuation of Celsius Resources' Opuwo cobalt –copper bearing 'DOF' horizon
- Project contains ~27km of prospective DOF equivalent in three areas
- Additional, very large ~20km x 5km long Cu-Co soil anomaly associated with magnetic anomaly – potential DOF Cu-Co source?
- Numerous, widespread Cu occurrences, grab samples to 38% Cu

* Refer to CAZ ASX announcement "Option to Acquire the Kaoko Kobalt project, Northern Namibia" dated 26 March, 2018

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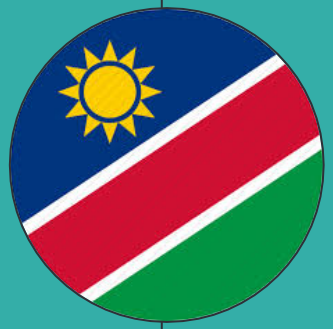
NAMIBIA

A Stable Mining Jurisdiction



- ✓ Stable government and fiscal regime
- ✓ Transparent mining legislation
- ✓ Excellent regional infrastructure
- ✓ Ruacana hydroelectric power station nearby
- ✓ Project located ~800km by road from Windhoek & ~750km to Walvis Bay port

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Pro-forma Capital Structure

SECURITIES	CAZALY SHARES/OPTIONS
Existing issued securities	195,931,002
Listed Options (CAZO)	18,913,847
Unlisted Options ($0.06 – 0.216 strike)	18,925,000
Vendor payment upon completion	6,000,000
TOTAL SECURITIES	**201,931,002**
Conditional Shares: *Vendor payment on resource definition**	10,500,000

* Upon the delineation of a JORC compliant resource containing at least 10,000t of contained cobalt (or other metal equivalent)

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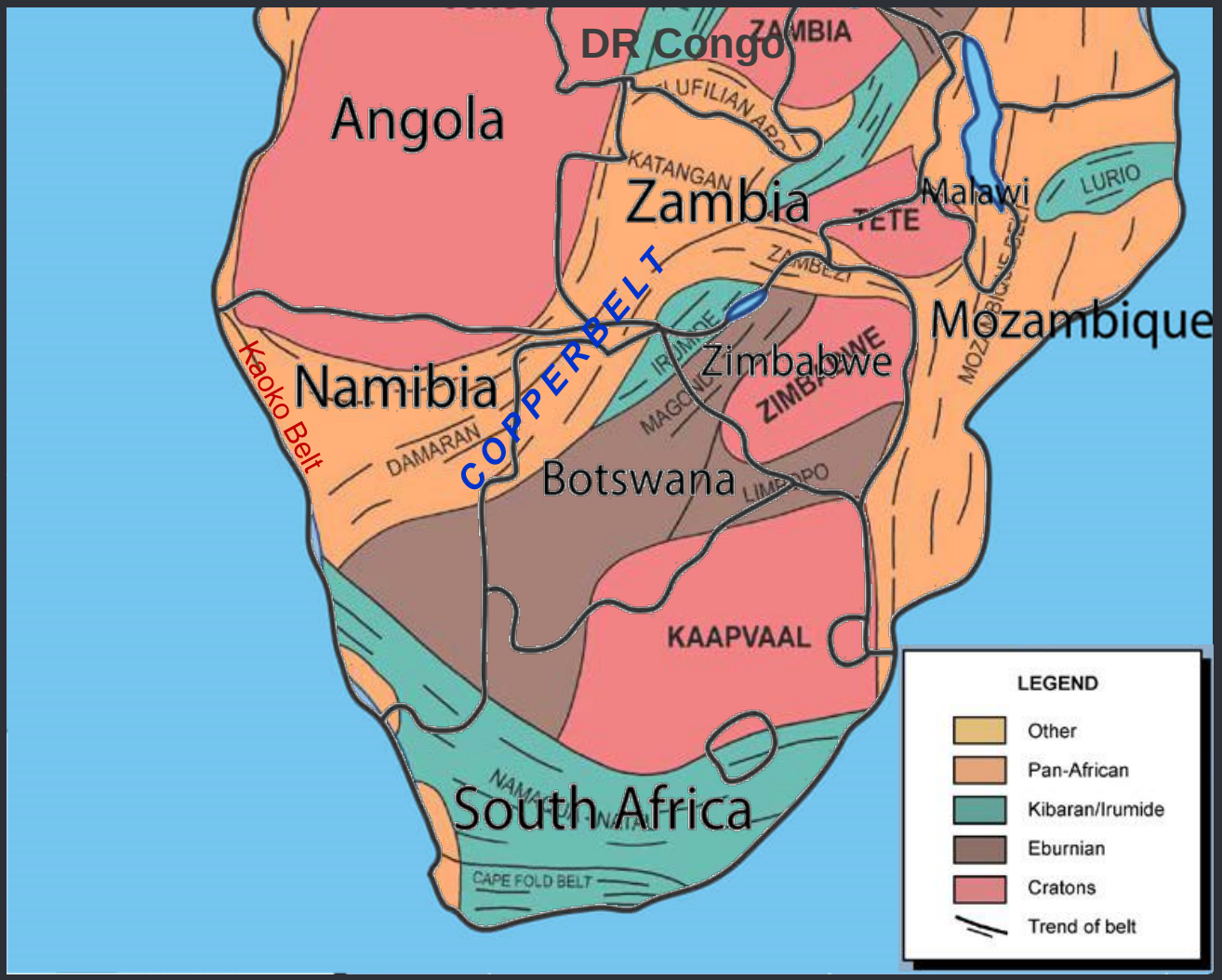
Kaoko Kobalt Project

Overview

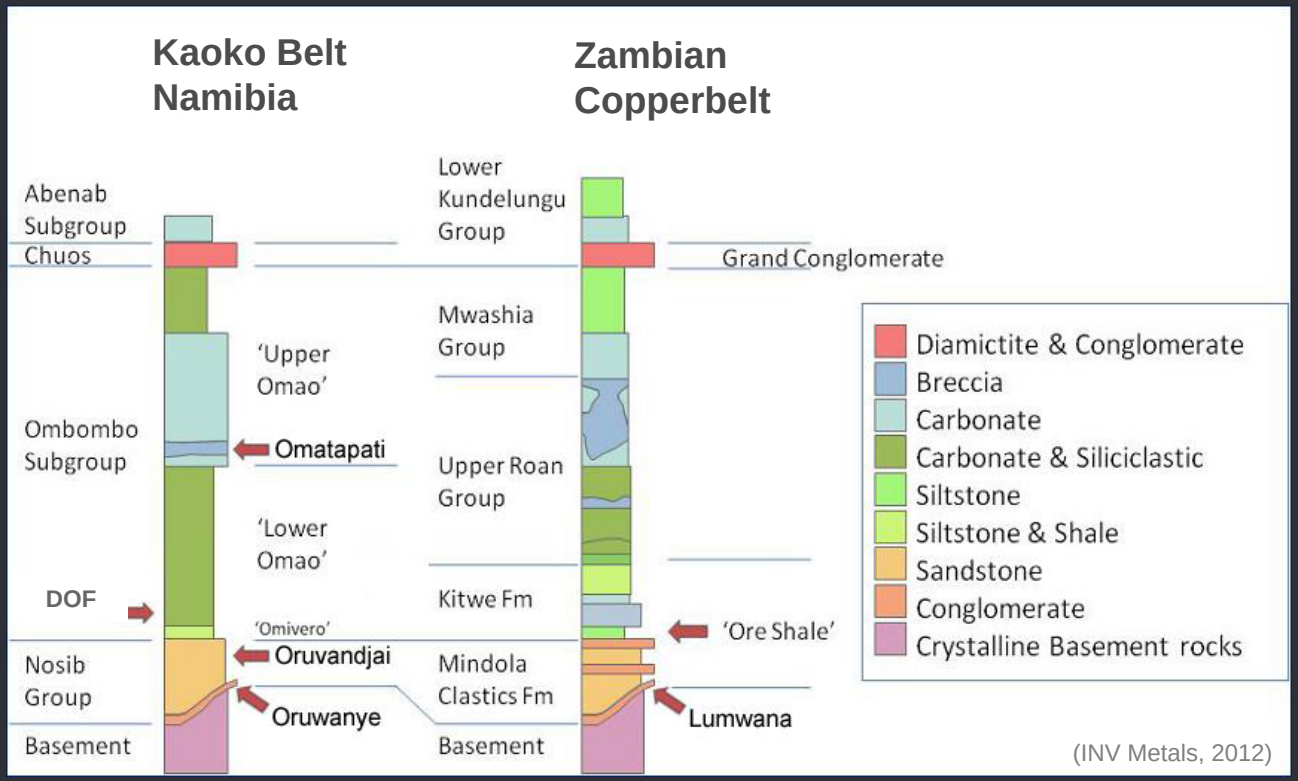
- Project comprises recently granted exploration licence EPL6667
- Covers a very large area, 85km by 10-15km for ~970 km^2
- Area hosts the Neoproterozoic *Kaoko Belt*, which represents the western extensions of the Copper-belt of the DRC and Zambia
- Prospective for Copper-belt style stratabound Cu-Co mineralisation
- Abuts Celsius Resources Ltd (ASX:CLA) Opuwo Cobalt project
- CLA has defined Co-Cu mineralisation for ~11km at Opuwo
- Maiden resource for Opuwo is imminent

Geotectonic Setting



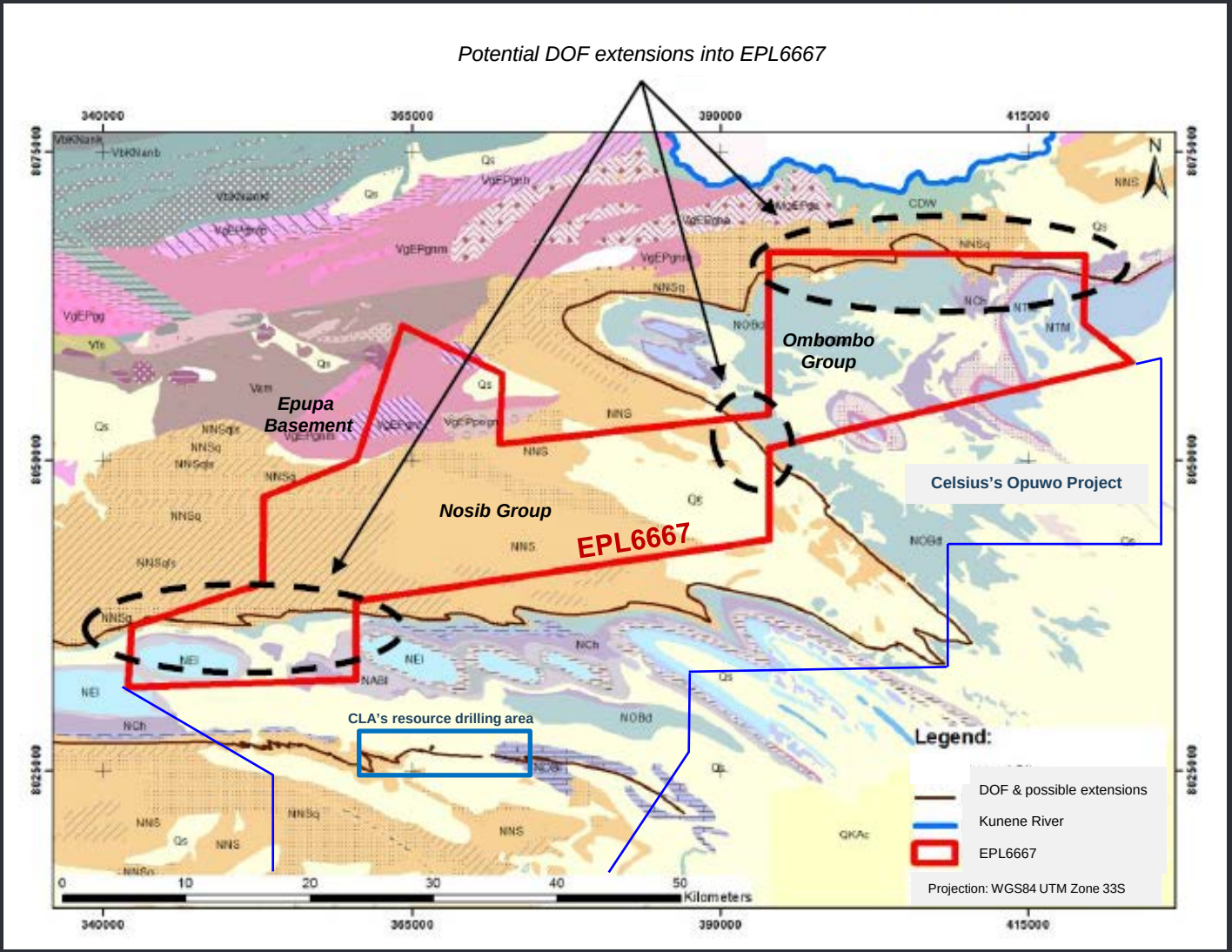
Location of the Kaoko Belt in relation to major cratons and Proterozoic mobile belts in Southern Africa

Stratigraphic Correlation

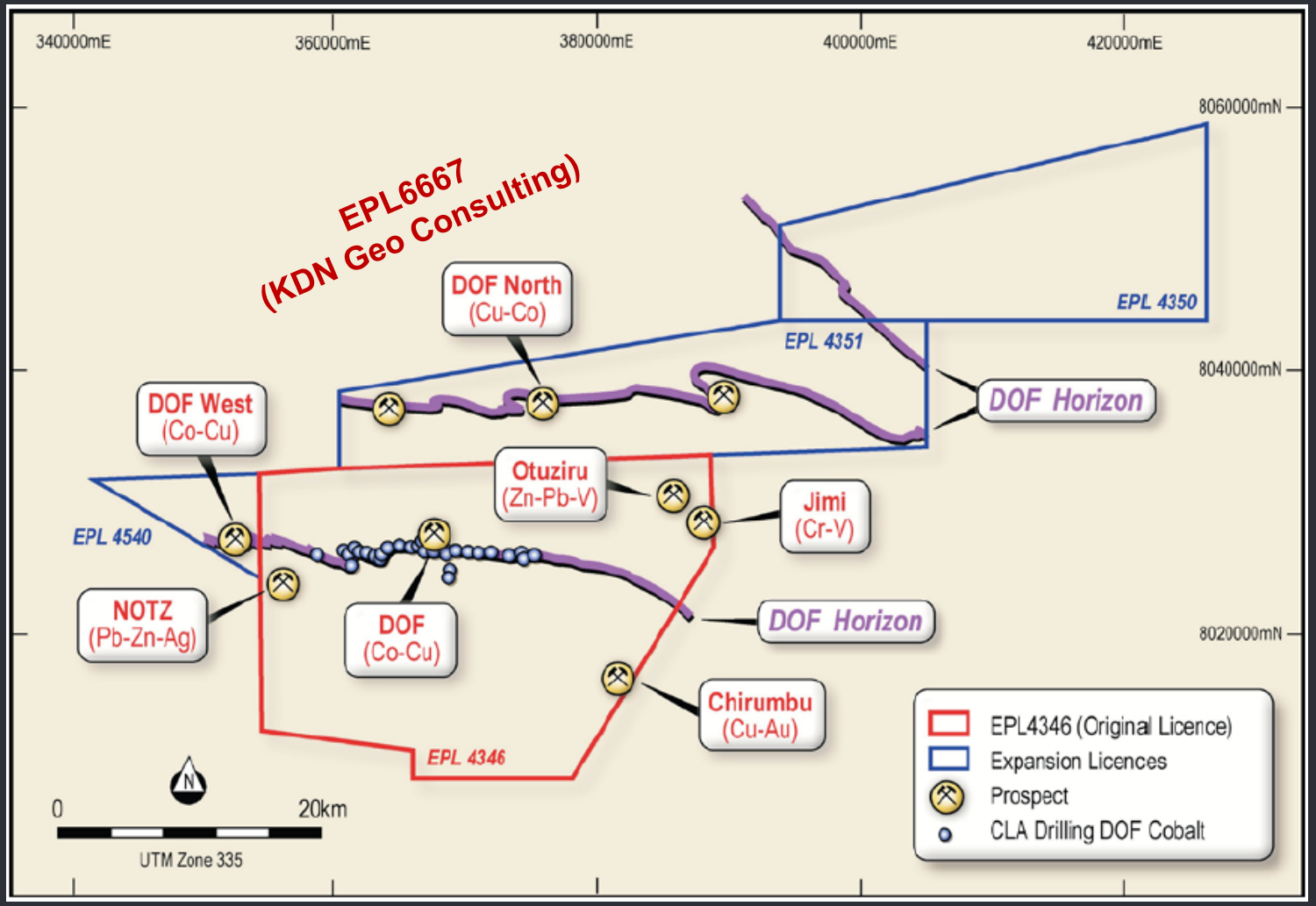


- Comparison between the stratigraphy of the Kaoko and Zambian Copper Belts
- The Zambian Copperbelt is unusual among sediment-hosted stratiform copper districts in having abundant Co and low Ag, Zn, and Pb
- Prospective ***Lower Omombo*** contact analogous to the highly productive ***Ore Shale*** zone in the Zambian Belt which hosts the majority of Cu-Co ore deposits
- The *Ore Shale* is a reductive unit sitting above oxidised arenaceous sediments close to basement (& source fluids) – analogous to the reductive *DOF* unit in the Kaoko Belt

KAOKO Project Setting



CELSIUS Resources DOF Mapping

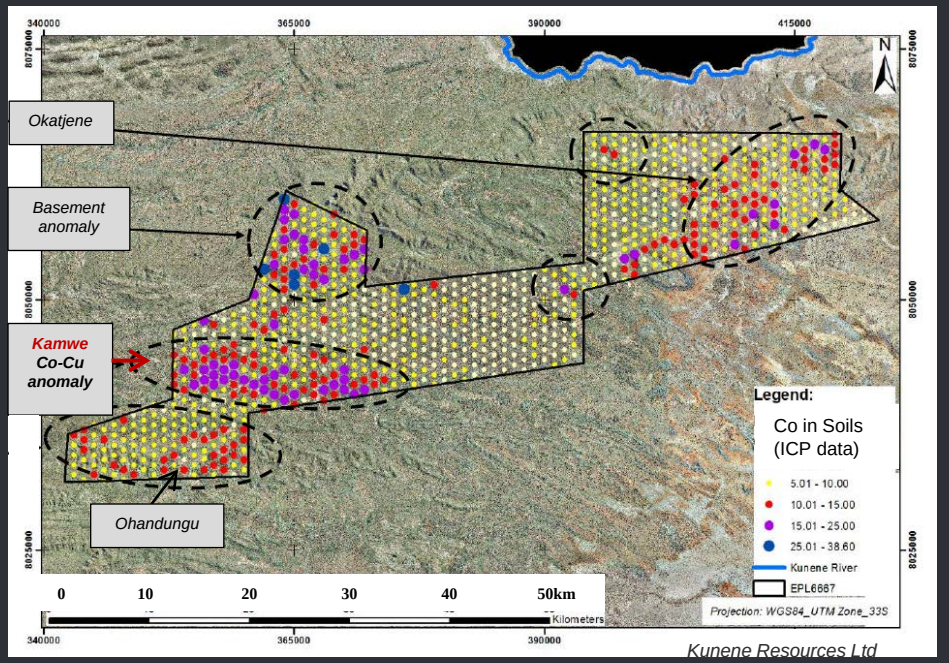


Celsius Resources Ltd, Quarterly Activities Report, Dec. 2017)

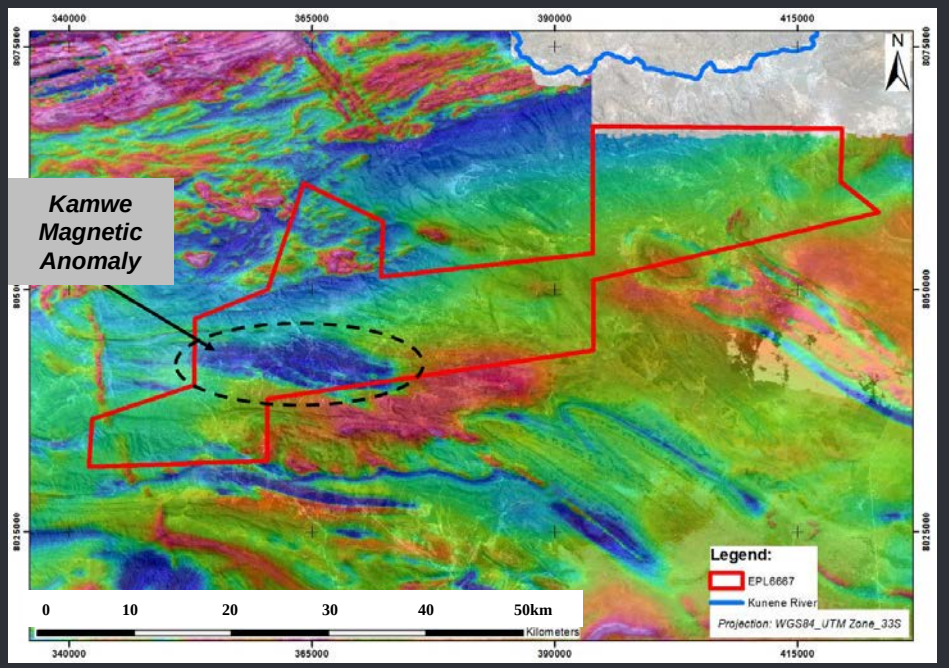
KAMWE Target

Overview

- Co & Cu anomalies defined
- Derived from 1km x 1km soils survey (2014)
  (ICPS analysis, Kunene Resources)
- Survey too coarse to define DOF
- *KAMWE* target;
  - Large 20km by 5km anomaly
  - Anomalous Co-Cu-Zn-Mn
  - Coincident magnetic low
  - Close to basement contact
  - Poorly explored area
  - Cu-Co source for DOF…??



Kunene Resources Ltd



NEXT STEPS

- Finalise legal and technical due dilgence
- Set up local team and commence initial field work
- Review existing data, conduct surface sampling and reconnaisance work
- Target ground geophysics
- Evaluation and drilling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Thank You