

CAZALY RESOURCES Limited**HAMERSLEY IRON PROJECT AGREEMENT****OPTION AGREEMENT WITH WINMAR RESOURCES TO ACQUIRE 100% OF THE
HAMERSLEY IRON PROJECT**

Cazaly Resources Limited (ASX: CAZ, "Cazaly") advise, it's wholly owned subsidiary, Cazaly Iron Pty Ltd (Cazaly Iron), has executed an agreement with Winmar Resources Limited (ASX:WFE), to vary the Farm-in Heads of Agreement dated 18 October 2010 (Variation Agreement) in relation to the Hamersley Iron Ore Project. Winmar is currently earning into a 51% interest in the tenements the subject of the Farm-in Heads of Agreement and has an exclusive option to acquire the remaining 49% from Cazaly Iron. Pursuant to the Variation Agreement, Cazaly Iron has agreed to grant Winmar an option to acquire an immediate 100% interest in the tenements for an exercise price of \$35 million and the grant of a royalty. Winmar will pay an option fee of \$100,000 for a two month option period. The option may be extended for a further on month at Winmar's election subject to the payment of a further \$100,000.

The grant of the option is subject to the parties obtaining a written opinion from ASX that approval will not be required under Listing Rule 10.1. On exercise of the option, Winmar will have acquired a 100% ownership interest in the Hamersley Iron Project in the Pilbara Region of Western Australia.

For further information please contact:

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