

14th February 2018

CONVERTIBLE NOTES AND ASX LISTING RULE 7.1 – ASX DECISION REVERSED

On 29 December 2017 Cazaly Resources Limited (ASX: CAZ) (**Cazaly or the Company**) announced that it had been advised by the ASX that it considered Cazaly to be in breach of ASX Listing Rule 7.1 in relation to the \$750,000 unsecured convertible note facility recently entered into by Cazaly, details of which are set out in the Company's announcement of 14 December 2017 (**Facility**).

The Company is pleased to announce that subsequent to further consultations ASX has reversed its decision and the Company is not in breach of ASX Listing Rule 7.1 in relation to the Facility.

The notes granted by the Company under the Facility will remain debt securities until such time as the Company's shareholders (**Shareholders**) approve the conversion of those debt securities into equity securities (being convertible notes). The Company will convene a meeting of Shareholders at which Shareholder approval for the conversion of the debt securities granted under the Facility to convertible securities will be sought. In the event that the resolution seeking such conversion is not passed by Shareholders as an ordinary resolution, the Facility will become due and payable immediately. If Shareholders approve the resolution, the debt securities granted under the Facility will automatically convert to convertible securities and the Facility will be repayable in accordance with the terms announced on 14 December 2017.

For further enquiries please contact:

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