

EXPLORATION UPDATE

Halls Creek Project

Cazaly Resources Limited (ASX: CAZ, "Cazaly" or "the Company") is pleased to announce that earthworks have been completed in preparation for drilling at the Halls Creek Project located 25km southwest of Halls Creek in the East Kimberley Region of Western Australia. In addition, a drilling contractor has been secured following completion of the heritage survey in late April.



Cazaly's Managing Director Tara French commented "I'd like to thank the Jaru Traditional Owners and the Kimberley Land Council for effecting the survey during these logistically challenging times. Cazaly can now proceed with their intended RC drilling programmes as planned. The Company is pleased to have secured a drilling contractor to conduct the RC drilling program, which is now scheduled to commence mid-June notwithstanding any further delays."

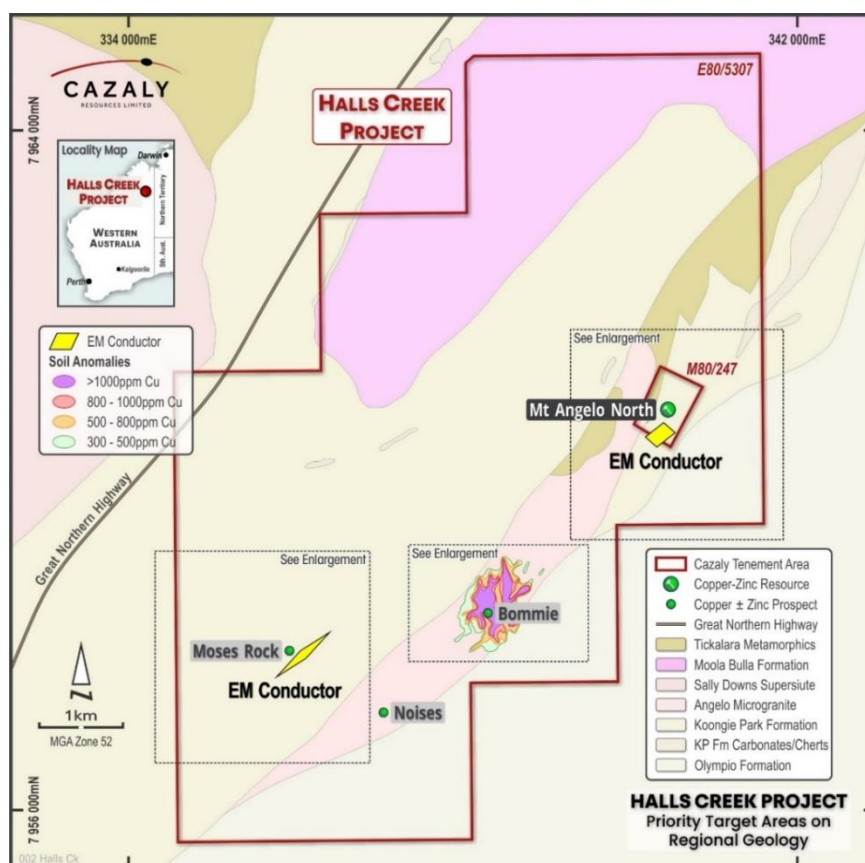


Figure 1. Location of High Priority Drill Targets at the Halls Creek Project

Priority Drill Targets:

1. Bommie Prospect porphyry copper target

The Bommie Prospect located 2.5km southwest of Mount Angelo North is interpreted as a large low grade copper system with significant drill intercepts as shown in Figure 2. The prospect has an extensive surface geochemical signature which provides further encouragement for a large mineralised system.

Approximately 2000m of RC Drilling is planned to test the continuity of broad copper intercepts across the Bommie Prospect on a 100m x 100m grid spacing. Several deeper holes have also been planned to test the system at depth.

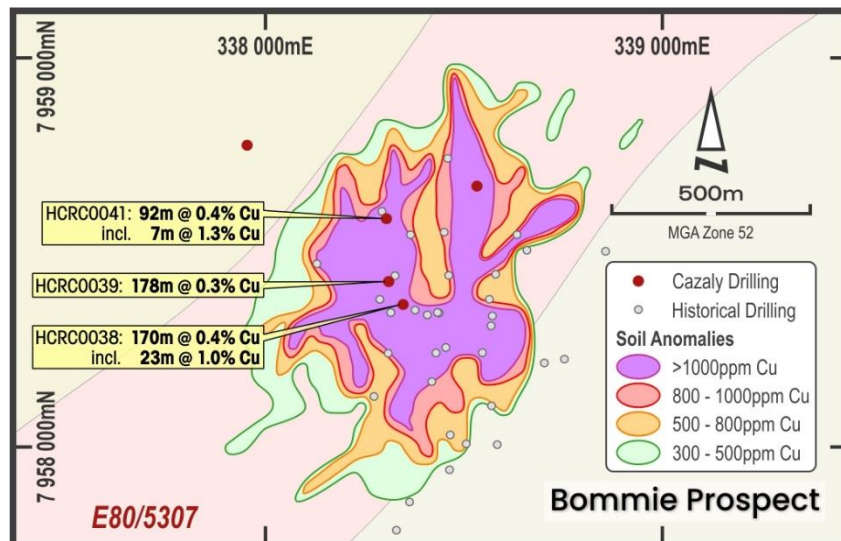


Figure 2. The Bommie prospect. Copper in soil anomalies and anomalous drill intercepts.

2. EM conductor – Massive Sulphide target at Moses Rock

The **Moses Rock** drill target is located 5km to the southwest of the **Mount Angelo North Cu-Zn-Ag Resource** (Figure 1). Electromagnetic (EM) conductor plates have been modelled at both prospects (Figure 1), Moses Rock being the larger conductor will be drilled as a priority over the Mount Angelo North target. The conductor at Moses Rock is modelled $\approx 100\text{m}$ below surface for 300m strike, dipping steeply to the southeast with a depth extent of $\approx 300\text{m}$. Figure 3 shows the conductor in an area of structural complexity located on the south eastern limb of a fold.

The EM conductor at Moses Rock is located within the Koongie Park Formation, the same rock units that host the Mount Angelo North Cu-Zn-Ag Deposit. The Koongie Park Formation is highly prospective for volcanogenic massive sulphides (VMS) mineralisation and provides further encouragement that the EM conductor could represent a massive sulphide target.

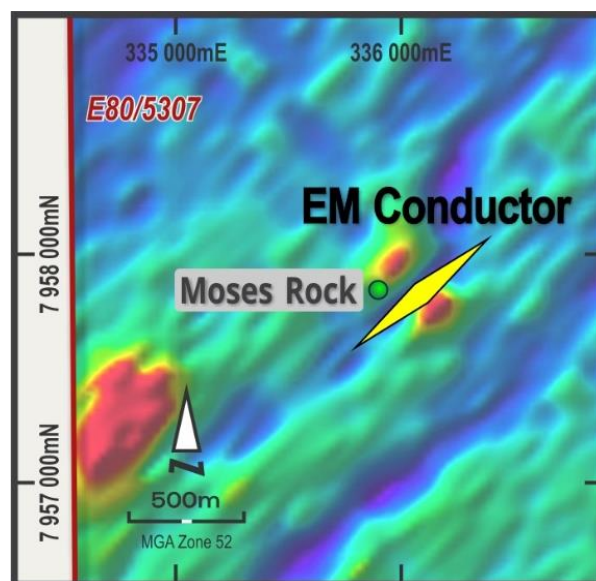


Figure 3. Moses Rock MLEM Conductor on reprocessed HeliTEM imagery

For details on the EM survey results and configuration refer to Cazaly's ASX Announcement dated 30 September 2021. RC drilling is planned to test these conductors between 100-150m below surface.

Other activities

Infill surface sampling is underway at the **Yabby Project** located 10km to the west of Laverton in the north-eastern goldfields of Western Australia. The programme is designed to refine surface geochemical anomalies defined on a 400m x 200m grid, infill sampling will reduce the spacing to 200m x 50m in order to refine targets for future drill testing. Refer to Cazaly's ASX announcement dated 28 March 2022 for initial geochemical results.

Geochemical stream sediment sampling has been delayed at the **Ashburton Project** located in the Pilbara region of Western Australia due to heavy rain. Refer to Cazaly's ASX announcement dated 14 March 2022 for the location of "untested" areas to be sampled during this round of field activities.

Geophysical modelling of the airborne EM survey at the Kamwe Prospect, at the **Kaoko Project** in Namibia is underway.

ENDS

For and on behalf of the Cazaly Board

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Competent Persons Statement

The information contained herein that relates to Exploration Results is based upon information compiled or reviewed by Mr Don Horn, who is an employee of the Company. Mr Horn is a Member of the Australasian Institute Geoscientists and has 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'. Mr Horn consents to the inclusion of his name 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.