



LARGE SCALE LITHIUM PROJECT ACQUISITION, JAMES BAY PROVINCE, QUÉBEC, CANADA

On 31 May 2023, Cazaly Resources Limited (ASX:CAZ, "Cazaly" or "the Company") lodged an announcement entitled "Large Scale Lithium Project Acquisition, James Bay Province, Quebec, Canada".

The Company provides an updated version of that announcement ("Replacement Announcement") which now includes a reference to the vendor of the project and clarification of some categories in Table 1.

A copy of the Replacement Announcement is attached.

This announcement has been authorised for release by the Board of Directors of Cazaly Resources Ltd.

— — ENDS — —

For further information please contact:

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LARGE SCALE LITHIUM PROJECT ACQUISITION, JAMES BAY PROVINCE, QUÉBEC, CANADA

Highlights:

- Cazaly has entered into a binding agreement to acquire 100% of a very large pegmatite field, *The Sundown Lithium Project*, over 260 sq.km, in the heart of the James Bay Lithium province
- James Bay is host to world class lithium reserves including:
 - Allkem's *James Bay* deposit (37.2Mt @ 1.3% Li₂O)¹, and
 - Namaska's *Whabouchi* deposit (36.6Mt @ 1.3% Li₂O)²
- *The Sundown Lithium Project* is strategically located between Patriot Battery Metals' discovery at *Corvette* (incl 122.6m @ 1.89% Li₂O)³ and Allkem's *James Bay Lithium* deposit
- *The Sundown Lithium Project* contains +200 documented pegmatite outcrops
- The Project comprises 510⁽ⁱ⁾ mining claims over 3 contiguous blocks



Figure 1. The Sundown Lithium Project, James Bay District.

Cazaly Resources Limited (ASX: CAZ, "Cazaly" or the "Company") is pleased to announce it has entered into an exclusive binding agreement to acquire up to 100% of the Sundown Lithium project (the Project). The Project is located in the world-class James Bay Lithium Province, host to several advanced lithium projects and new lithium discoveries in Canada and comprises 510 mining claims covering pegmatite outcrops spanning over 260sqkm.

(i) See Appendix 2. JORC Table Section 2 Page 12

Managing Director, Tara French said: *“We are extremely pleased to have an exclusive binding agreement to acquire the Sundown Lithium Project. The Project is an excellent addition to our recent Canadian Rare Earth Elements project acquisition, and provides Cazaly with another excellent discovery opportunity, this time for lithium, another critical mineral. The project is a massive landholding in the heart of the James Bay Lithium district, a district known for its very large scale and high-grade lithium resources. Data acquisition and compilation has commenced and desktop studies are underway as part of our due diligence process, which will in turn advance the project and inform our exploration work plan moving forward.”*

SUNDOWN LITHIUM PROJECT

The Sundown Lithium Project has over 200 outcropping pegmatites reported across the vast **260sqkm**, providing excellent potential for a new hard rock lithium discovery.

The Project 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 214sqkm land package (Figure 1).

Further recent successes in the region include Critical Elements’ *Rose* deposit (37.2Mt @ 0.94% Li₂O)⁴, Nemaska’s *Whabouchi* deposit (36.6Mt @ 1.3% Li₂O) and Winsome Resources’ (ASX:WR1) *Cancel* exploration target with 15-25Mt @1-2% Li₂O.⁵

Allkem’s project is in the final feasibility stages and is expected to produce a spodumene concentrate utilising hydropower over a 19-year mine life for a pre-tax NPV of US\$1.42 billion.¹

The Sundown Lithium Project is readily accessible by road and with advanced projects in the district, has the added benefit of access to excellent infrastructure including hydropower.

Geology

The Project is located within the Opinaca Subprovince in the centre of the Archaean Superior Province in the heart of Eeyou Istchee James Bay territory, which is host to significant lithium resources (Figure 1). The geology of the project area consists of paragneiss and migmatites of the Laguiche Complex that have been disrupted by multiple intrusions consisting of granodiorite, pegmatitic granite and tonalite. These **intrusions are peraluminous and type S⁶** and, with increasing fractionation, are **favourable for the development of Lithium-Caesium-Tantalum (LCT) pegmatites**. Some small ultramafic intrusions are also present on the edge of the Opinaca Subprovince.

The Québec Ministry of Natural Resources and Forestry (MERN) identified **+200 pegmatites in outcrop** across the project area (Appendix 1, Figure 2). In 2022 MERN geologists identified the **Gladman Suite** as a **new lithium prospective zone** that is characterised by the presence of numerous E-W trending pegmatitic granite dykes (Figure 2). The presence of tourmaline, garnet and muscovite in these rocks indicates a hyperaluminous composition suitable for the development of lithium mineralisation⁷. These details have only recently been made available digitally (20th May 2023) on Quebec’s interactive geological portal, SIGÉOM a spatially-referenced geomining information system. Appendix 1 includes a list of all pegmatite locations and observation details. Appendix 2 includes JORC Table 1 Section 1 detailing sampling techniques and data, and Section 2 detailing exploration results and mining claim details.

Cautionary Note

Reported outcropping pegmatite occurrences are based on documented visual observations made by the Geologists of the Quebec Ministry of Natural Resources and Forestry ("MERN"). All data represented in the report has been extracted from these publicly available datasets. The locations and basic descriptions are available on their online SIGEOM database. Nothing has come to the Company's attention that causes it to question the accuracy or reliability of the extracted data presented in the report. The mineral observations made have not been reported under the JORC code 2012. The presence of pegmatites and the visual observations made by MERN geologists does not equate to lithium mineralisation. The Company is encouraged by the geology identified, however no quantitative or qualitative work has been completed by the company in order to assess the mineralisation potential at this stage. The Company has not independently validated the exploration results reported by MERN and therefore is not to be regarded as reporting, adopting or endorsing those results. Following completion of our due diligence and a decision to proceed with the acquisition, the Company would undertake rock chip sampling of outcrops identified as pegmatites and have these assayed to determine their mineralisation potential in order to report results under JORC code 2012.

Historic Exploration

Very little modern exploration has been completed across the mining claim package. Most of the previous exploration completed by MERN included rock chip sampling and lake bottom sediment sampling with a focus on gold, and lithium was not assayed.

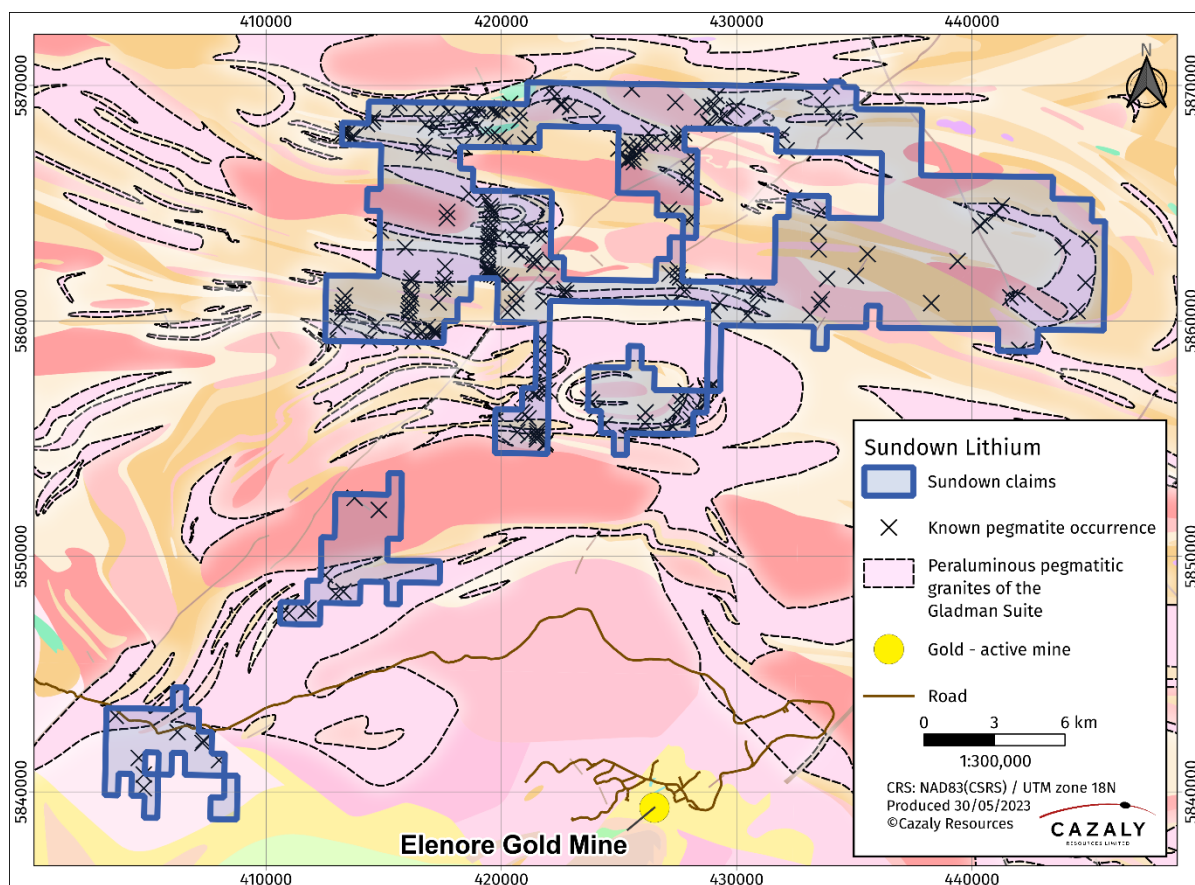


Figure 2. The Sundown Lithium Project, consisting of 510 claims spanning over 260sqkm with +200 documented pegmatite occurrences.

Material Terms of Agreement

Cazaly has agreed to the following terms to acquire 100% of the Sundown Lithium Project from 1Minerals Corp based in Canada:

1. Pay a non-refundable Option Fee of C\$50,000 to the vendors for a 2-month exclusivity period for Cazaly to complete due diligence
2. Subject to satisfactory due diligence pay:
 - I. C\$350k cash and C\$600k stock or cash upon execution, CAZ to have 25% equity
 - II. End Year 1: C\$250k cash and C\$750k stock or cash, CAZ to have 50% equity
 - III. End Year 2: C\$250k cash and C\$750k stock or cash, CAZ to have 75% equity
 - IV. End Year 3: C\$250k cash and C\$750k stock or cash, CAZ to have 100% equity
 - V. Vendors receive a 2% net smelter royalty with Cazaly to retain an option to buy back 1% for C\$1m

Shares will be used based on the volume weighted average price for Shares for the period of 5 consecutive trading days on which Shares are traded up to and including the trading day prior to the relevant issue date; and the then prevailing C\$/A\$ exchange rate as published on the website of the Reserve Bank of Australia.

Forward Plan

Upon completion of due diligence, including a full assessment of all available data and Cazaly's decision to complete the acquisition, an initial field reconnaissance mapping and rock chip sampling program will be completed to assess the large number of documented outcropping pegmatites for spodumene and lithium mineralisation. This will in turn inform our exploration strategy to drill test the best targets in the next phase of exploration.

Should the Company choose to proceed they will use existing cash reserves to commence the activities, the work would be expected to commence in the September quarter 2023, following land access approvals.

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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Competent Persons Statement

The information in this report accurately represents the available data as referenced at the bottom of this document, and has been 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'.

The company confirms that it is aware the information was not reported in accordance with JORC 2012, it is not aware of any new information or data that materially affects the information included in the original reports. 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.

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.

¹ ASX:AKE Announcement 21 December 2021. James Bay Lithium Project Feasibility Study & Maiden Ore Reserve.

² Nemaska Lithium 21 February 2018. NI 43-101 Technical Report Feasibility study on the Whabouchi lithium mine and Shawinigan electrochemical plant.

³ ASX:PMT Announcement 17 May 2023. Patriot drills 12.6m at 1.89% Li₂O, including 8.1m at 5.01% Li₂O, and extends high-grade Nova zone at the CV5 pegmatite, Corvette property, Quebec, Canada.

⁴ Critical Elements Lithium Corporation. 27 July 2022. NI 43-101 Technical Report for the Rose Lithium-Tantalum Feasibility Study.

⁵ ASX:MTC Announcement 9 November 2017. Significant Exploration Target at Cancet Lithium.

⁶ MOUKSIL, A. -LEGAULT, M. -DOILY, M. -DOYON, J. -SAWYER, E. DAVIS, D.W., 2003. Synthèse géologique et métallogénique de la ceinture de roches vertes de la Moyenne et de la Basse-Eastmain (Baie-James). Ministère des Ressources naturelles, de la Faune et des Pêches, Québec; ET 2002-06, 55 pages, 1 plan.

⁷ BILODEAU, C. Géologie de la région de l'Île-du-Grand-Calumet, Province de Grenville, Outaouais, Québec, Canada. **BG 2022-07**, 2022. 1 map. <https://gq.mines.gouv.qc.ca/bulletins-geologiques/ile-du-grand-calumet>

APPENDIX 1

Table 1. MERN Pegmatite sample locations, rock type observed.

SAMPLE #	Easting	Northing	Rock Description
8093	444831	5861626	Pegmatite (pink)
8094	444487	5860419	Pegmatite hill
20385	427264	5864569	Pegmatite (pink)
21271	419333	5868023	Pegmatite (white)
21272	424067	5868381	Pegmatite (white)
21273	414533	5868461	Pegmatite (white)
21274	414554	5868605	Pegmatite (white)
21276	416776	5868334	Pegmatite
21281	421259	5863919	Pegmatite veining
22537	425541	5869848	Pegmatite, paragneiss
22540	421020	5867489	Pegmatite (white)
24203	430909	5861281	Pegmatite (white)
24211	413289	5860797	Pegmatite (white)
24212	413271	5860569	Pegmatite, paragneiss
24213	413060	5859777	Pegmatite
24221	416237	5859141	Pegmatite, paragneiss
24222	416057	5860046	Pegmatite (white)
24371	416071	5860442	Pegmatite, paragneiss
27364	434029	5869965	Pegmatite (white)
27366	433486	5863038	Pegmatite (pink)
31074	416139	5860744	Pegmatite
32602	433509	5860692	Pegmatite (pink)
32670	420683	5855279	Pegmatite (white)
34217	430476	5860242	Pegmatite (pink)
34245	414661	5859800	Pegmatite (white)
34623	418032	5867182	Pegmatite (white)
34625	416692	5867142	Pegmatite (white)
34631	431930	5867903	Pegmatite
34635	426109	5855682	Pegmatite, paragneiss
34647	413766	5852485	Pegmatite
50781	440572	5864226	Pegmatite
53166	404805	5840152	Pegmatite (white)
53378	441635	5861000	Pegmatite
58374	421790	5860838	Pegmatite
58388	419871	5863554	Pegmatite, paragneiss
58390	428088	5864450	Pegmatite (white)
58392	428056	5866971	Pegmatite
58396	419904	5867802	Pegmatite, paragneiss
58570	417709	5864632	Pegmatite (white)
58572	422259	5869533	Pegmatite
60445	430320	5861508	Pegmatite (white)
60852	420587	5863873	Pegmatite
60853	415919	5863121	Pegmatite (pink)
60855	417540	5861537	Pegmatite, paragneiss
60856	417098	5859557	Pegmatite, paragneiss
60938	413289	5848512	Pegmatite
61221	416087	5861299	Pegmatite (pink)
63875	441274	5864893	Pegmatite
96760	443855	5863126	Pegmatite
97360	433123	5860268	Pegmatite
97409	435565	5862843	Pegmatite, paragneiss
98668	417613	5862315	Pegmatite, paragneiss
98671	427128	5864732	Pegmatite (white)
99123	408000	5841343	Pegmatite (white)
99161	411690	5847698	Pegmatite
99495	427979	5864207	Pegmatite
99496	427979	5866465	Pegmatite (white)
99500	413655	5867814	Pegmatite (white)
99685	421731	5859222	Pegmatite
99700	428929	5857258	Pegmatite, paragneiss
99701	428997	5860429	Pegmatite
99756	418617	5865408	Pegmatite (pink)
99765	426258	5867980	Pegmatite (white)

SAMPLE #	Easting	Northing	Rock Description
99766	432129	5867243	Pegmatite (pink)
101594	414794	5851975	Pegmatite
108233	403610	5843229	Pegmatite (white)
108234	404803	5840738	Pegmatite (white)
142238	419632	5867905	Pegmatite (white)
143599	427975	5865777	Pegmatite (white)
145241	412517	5849203	Pegmatite (white)
146114	421613	5858339	Pegmatite (white)
146118	421459	5856911	Pegmatite (white)
146120	428868	5857142	Pegmatite (white)
146121	428456	5856272	Pegmatite (white)
146123	429282	5860779	Pegmatite (white)
146345	416040	5860303	Pegmatite (pink)
146346	416092	5860650	Pegmatite (pink)
146347	416187	5860958	Pegmatite (pink)
146348	416176	5861680	Pegmatite (white)
147768	414376	5859191	Pegmatite (white)
147800	413363	5861081	Pegmatite (white)
147801	413245	5860350	Pegmatite (white)
148119	435071	5861915	Pegmatite
149310	421687	5857970	Pegmatite (white)
168756	416739	5867430	Pegmatite
168757	417266	5868570	Pegmatite
168759	417682	5864361	Pegmatite
168761	422148	5869868	Pegmatite (white)
168780	421196	5867748	Pegmatite (pink)
169355	426130	5856115	Pegmatite
172566	439392	5862540	Pegmatite
172567	438274	5860755	Pegmatite (white)
181219	421885	5854838	Pegmatite
181221	428060	5855809	Pegmatite
181333	435012	5868061	Pegmatite
181334	433646	5869185	Pegmatite (white)
181485	433635	5864706	Pegmatite (pink)
182132	417510	5861357	Pegmatite (white)
182160	427396	5869283	Pegmatite (pink)
188181	417333	5860787	Pegmatite
188183	421970	5861638	Pegmatite (pink)
188184	422117	5862501	Pegmatite (white)
188372	427894	5866098	Pegmatite (white)
188373	418374	5867420	Pegmatite (white)
188375	420175	5867590	Pegmatite
188377	413444	5867959	Pegmatite (white)
188589	441027	5864569	Pegmatite (white)
189465	434109	5868624	Pegmatite (white)
189646	433478	5863759	Pegmatite (pink)
189799	442011	5858765	Pegmatite (white)
189807	445004	5863489	Pegmatite
190558	421623	5858785	Pegmatite
190559	419766	5856101	Pegmatite (white)
190560	421153	5855145	Pegmatite (white)
190562	430664	5860584	Pegmatite
190563	430907	5861123	Pegmatite
190760	412639	5859191	Pegmatite (white)
190773	416196	5861811	Pegmatite (pink)
191720	428579	5856650	Pegmatite
191870	428275	5856170	Pegmatite
191885	416256	5859574	Pegmatite
191886	416140	5861132	Pegmatite (pink)
192349	414882	5863845	Pegmatite
192352	417608	5861796	Pegmatite (white)
192358	427150	5862009	Pegmatite
192359	427225	5860779	Pegmatite
192361	414297	5868366	Pegmatite, paragneiss
192362	417235	5868213	Pegmatite (white)
192366	422537	5869166	Pegmatite (pink)

SAMPLE #	Easting	Northing	Rock Description
193412	440334	5864045	Pegmatite
194723	441937	5861149	Pegmatite (white)
194726	433623	5860915	Pegmatite (pink)
194910	404591	5841442	Pegmatite (white)
195051	433849	5861789	Pegmatite
424232	406238	5842536	Pegmatite
424268	419539	5863958	Pegmatite
424277	419993	5861862	Pegmatite
427396	410619	5847488	Pegmatite
428326	413257	5868053	Pegmatite
428327	413431	5868159	Pegmatite
428334	415660	5869251	Pegmatite
428335	415561	5869008	Pegmatite
428336	416531	5869000	Pegmatite
428339	416630	5859548	Pegmatite
428340	416873	5859745	Pegmatite
428341	417236	5859563	Pegmatite
428353	421512	5854977	Pegmatite
428354	421527	5855212	Pegmatite
428357	419852	5861913	Pegmatite
428358	419715	5861966	Pegmatite
428359	419586	5861981	Pegmatite
428360	419419	5862012	Pegmatite
428361	419435	5862193	Pegmatite
428362	419435	5862572	Pegmatite
428363	419442	5862982	Pegmatite
428364	419457	5863186	Pegmatite
428365	420541	5863421	Pegmatite
428366	420625	5863005	Pegmatite
428367	420860	5862823	Pegmatite
428368	421345	5862739	Pegmatite
428369	421458	5862588	Pegmatite
428370	421405	5862413	Pegmatite
428372	421580	5863626	Pegmatite
428373	421845	5863694	Pegmatite
428378	419473	5863474	Pegmatite
428379	419503	5863732	Pegmatite
428380	419238	5865415	Pegmatite
428388	420754	5868515	Pegmatite
428389	420799	5868818	Pegmatite
428390	420375	5869220	Pegmatite
428391	420011	5869038	Pegmatite
428392	419920	5868796	Pegmatite
428393	419715	5868909	Pegmatite
428394	419579	5868955	Pegmatite
428395	418714	5868963	Pegmatite
428396	418987	5868917	Pegmatite
428397	419147	5868947	Pegmatite
428399	418707	5868515	Pegmatite
428400	418464	5868227	Pegmatite
428401	418912	5868212	Pegmatite
428402	417752	5868879	Pegmatite
428403	417441	5869258	Pegmatite
428412	424976	5867318	Pegmatite
428413	425423	5867431	Pegmatite
428414	425772	5867477	Pegmatite
428415	426143	5867575	Pegmatite
428416	426340	5867530	Pegmatite
428417	426802	5867568	Pegmatite
428418	427272	5867560	Pegmatite
428419	427651	5867628	Pegmatite
428420	427538	5867712	Pegmatite
428421	427538	5867962	Pegmatite
428422	427773	5867970	Pegmatite
429364	425582	5867189	Pegmatite
429365	425878	5867143	Pegmatite

SAMPLE #	Easting	Northing	Rock Description
429366	425597	5866939	Pegmatite
429367	425355	5866878	Pegmatite
429368	425355	5866779	Pegmatite
429369	425635	5866742	Pegmatite
429377	427507	5862178	Pegmatite
429378	427492	5861943	Pegmatite
429379	427598	5861852	Pegmatite
429380	427705	5861504	Pegmatite
429383	422702	5861352	Pegmatite
429388	423695	5856683	Pegmatite
429390	427833	5857001	Pegmatite
429391	427295	5855508	Pegmatite
429392	424400	5855606	Pegmatite
429419	428781	5868447	Pegmatite
429420	428834	5868349	Pegmatite
431505	421831	5857038	Pegmatite
432727	410970	5847581	Pegmatite
433730	411801	5847781	Pegmatite
433731	412961	5848407	Pegmatite
433749	413657	5867719	Pegmatite
433750	413286	5867914	Pegmatite
433762	417249	5859476	Pegmatite
433764	416734	5859305	Pegmatite
433818	419412	5862080	Pegmatite
433819	419338	5865152	Pegmatite
433824	418344	5868332	Pegmatite
433825	418368	5868610	Pegmatite
433826	418781	5869204	Pegmatite
433845	419523	5864874	Pegmatite
433846	419611	5864582	Pegmatite
433847	419584	5864725	Pegmatite
433848	419611	5864433	Pegmatite
433849	419546	5864155	Pegmatite
433850	419486	5863588	Pegmatite
433851	419449	5863282	Pegmatite
433852	419426	5862846	Pegmatite
433853	419412	5862303	Pegmatite
434601	420623	5861138	Pegmatite
434602	420465	5860567	Pegmatite
434603	420270	5860367	Pegmatite
434604	420382	5861644	Pegmatite
434605	420637	5860757	Pegmatite
434624	421324	5856952	Pegmatite
434625	420990	5856891	Pegmatite
434628	420878	5856126	Pegmatite
434629	421008	5856033	Pegmatite
434630	421152	5855861	Pegmatite
434635	421858	5854756	Pegmatite
434638	421510	5855081	Pegmatite
434639	421528	5855337	Pegmatite
434642	422002	5857044	Pegmatite
434643	421640	5857021	Pegmatite
434646	422758	5861189	Pegmatite
434647	422651	5861138	Pegmatite
434650	422545	5869237	Pegmatite
434651	422916	5869079	Pegmatite
434656	424053	5856269	Pegmatite
434658	424243	5855448	Pegmatite
434663	427019	5855327	Pegmatite
434664	427427	5856130	Pegmatite
434665	423849	5856539	Pegmatite
434666	429149	5869557	Pegmatite
434667	428889	5869102	Pegmatite
434668	428541	5869074	Pegmatite
434669	429070	5869162	Pegmatite
434672	427780	5861245	Pegmatite

SAMPLE #	Easting	Northing	Rock Description
434680	427682	5856817	Pegmatite
434681	427608	5856529	Pegmatite
434711	429534	5868735	Pegmatite
434712	429891	5868977	Pegmatite
434716	430007	5869120	Pegmatite
434717	429288	5868610	Pegmatite
435424	432449	5865227	Pegmatite
436545	407347	5842180	Pegmatite
595492	407302	5842078	Pegmatite

APPENDIX 2

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	No sampling has been completed by Cazaly All data represented in the report has been extracted from publicly available datasets. Reported outcropping pegmatite occurrences are based on documented visual observations made by the Quebec Ministry of Natural Resources and Forestry (“MERN”) SIGEOM database No assay data was reported by MERN for the pegmatite outcrops. No sampling has been completed by Cazaly No sampling has been completed by Cazaly
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit, or other type, whether</i>	Not applicable – no drilling has been completed

Criteria	JORC Code explanation	Commentary
	<i>core is oriented and if so, by what method, etc).</i>	
<i>Drill sample recovery</i>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Not applicable – no drilling has been completed
<i>Logging</i>	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i>	Not applicable – no drilling has been completed
<i>Sub-sampling techniques and sample preparation</i>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality, and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Not applicable – no drilling has been completed

Criteria	JORC Code explanation	Commentary
<i>Quality of assay data and laboratory tests</i>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	Not applicable – no geochemical results reported
<i>Verification of sampling and assaying</i>	<i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i>	Not applicable – no drilling or geochemical results reported
<i>Location of data points</i>	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i>	Known pegmatite outcrop locations sourced from the Quebec Ministry of Natural Resources and Forestry SIGEOM database. Locations collected using handheld GPS (+/- approximately 5m accuracy) NAD83 (CSRS) / UTM Zone 18N Outcrop locations sourced from outcrop data at: https://sigeom.mines.gouv.qc.ca/signet/classes/I1108_afchCarteIntr
<i>Data spacing and distribution</i>	<i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i>	Data points are based on field observations and are a geological data set with basic descriptive information only There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. No sample compositing was reported

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<i>Orientation of data in relation to geological structure</i>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	It is not known if field observations have introduced any bias in orientation or geological structure
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	Insufficient information supplied
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	No audit or review reported

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The Sundown Lithium project is located 175km east north-east of Eastmain in Quebec, Canada. The Sundown Lithium project is located on Mining Claims: 502 Mining Claims are held 100% by 1Minerals Corp (103076): CDC2692045, CDC2692770 - CDC2692787, CDC2692815 - CDC2692823, CDC2692844 - CDC2692848, CDC2692852 - CDC2692856, CDC2692859 - CDC2692877, CDC2692879 - CDC2692895, CDC2694070 - CDC2694105, CDC2694124 - CDC2694125, CDC2694127 - CDC2694159, CDC2694805 - CDC2694810, CDC2702917 - CDC2706250, CDC2706265 - CDC2706281, CDC2706322 - CDC2706338, CDC2706489 - CDC2706503, CDC2712582 - CDC2712583, CDC2712591 - CDC2712594, CDC2714462 - CDC2714465, CDC2715879 - CDC2715880, CDC2719108 - CDC2719124, CDC2723400 - CDC2723414, CDC2728079 - CDC2728094, CDC2745317, CDC2745988 - CDC2746004, CDC2755227 - CDC2755282, CDC2755296 - CDC2755311, CDC2755573 - CDC2755584, CDC2756049 - CDC2756082, CDC2757063 - CDC2757095, CDC2757211 - CDC2757221, CDC2757594, CDC2757683, CDC2758850 - CDC2758982, CDC2759016 - CDC2759021, CDC2760330 - CDC2760335 5 Mining Claims are held 100% by 1254704 B.C. LTD. (102495): CDC2706279, CDC2706328, CDC2706497, CDC2706498, CDC2712593 3 Mining Claims are held 100% by 1Life Holdings Ltd. (101878): DC2692860, CDC2692873, CDC2694129

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		Cazaly Resources Ltd has an Agreement to earn up to a 100% interest in the Mining Claims as detailed in the body of this announcement. The Binding Agreement is subject to a Due Diligence period of 2 months. There are currently no known impediments to the security of the tenure including third party interests, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Information on the project has been compiled from information collected by SOQUEM government geologists in 2012, and can be sourced from 'outcrops' data at: https://sigeom.mines.gouv.qc.ca/signet/classes/I1108_afchCarteIntr
<i>Geology</i>	<i>Deposit type, geological setting, and style of mineralisation.</i>	The Sundown Lithium Project is located in the contact zone between the geological Grande and Opinaca Subprovinces. The La Grande Subprovince is dominated by multiphase intrusions of dioritic, tonalitic, granodioritic and granitic composition, injected into the volcano-sedimentary sequences of the Eastmain Group. The Opinaca Subprovince consists of migmatized paragneiss, diatexite and amphibolite shreds belonging to the Laguiche Complex. These rocks are injected by granodiorite, granite or pegmatite intrusions from the Janin and Boyd suites. Pegmatites show evidence of fractionation and possible LCT characteristics that are typically prospective for lithium mineralisation.
<i>Drill hole Information</i>	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	Not applicable – no drilling results reported
<i>Data aggregation methods</i>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and</i>	Not applicable – no geochemical results reported

Criteria	JORC Code explanation	Commentary
	<i>longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	
<i>Relationship between mineralisation widths and intercept lengths</i>	<i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i>	Not applicable – no geochemical results reported
<i>Diagrams</i>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to the body of this announcement.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	Not applicable – no sample results reported
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All relevant information reported in the body of this report was extracted from historical reports and public records. Geological observations form the bulk of the work to date within the project and no other exploration of any significance is reported. There are no known deleterious or contamination substances reported within the area.
<i>Further work</i>	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Work is ongoing to acquire all available data for the Project area. Upon receipt and interpretation of all available data appropriate exploration programs will be planned to begin assessing the economic potential of the pegmatite occurrences as well as potential new pegmatite discoveries.