

Carb Lake exploration team mobilised

Highlights

Very large +3km diameter carbonatite, complex size exceeds initial interpretation

Detailed aeromagnetics reveal multi-phase intrusive complex

Initial assessment of historical drill core (with pXRF) confirms REE mineralisation ^{vii}

Field crew mobilised to Carb Lake for initial exploration expedition

Cazaly Resources Limited (**ASX: CAZ, Cazaly, or the Company**) is pleased to provide an update on exploration activities at the Carb Lake Rare Earth project in the Red Lake District of the well-known mining province of Ontario, Canada (Figure 1).

Cazaly's 100% owned Carb Lake Rare Earth Elements (**REE**) Project comprises 93 mineral claims covering a large, +3km diameter circular magnetic anomaly known as the Carb Lake Carbonatite Complex prospective for REE and Niobium.

2011 Aeromagnetic survey data purchased by the Company has provided excellent detailed imagery across the bulk of the carbonatite. The carbonatite shows multiple magnetic circular features within the complex that extends beyond the detailed surveyed area of 3.2km x 3.7km (Figure 2). While the Carb Lake carbonatite complex is in the very early exploration phase, the size of the intrusive complex is compelling, to illustrate this see Table 1 for the size of several carbonatites from around the world.

The Company's in-country team mobilised a 4-man crew on 21 August 2023 in order to traverse as much of the property as possible and undertake prospecting, as well as geological field



Figure 1. Location of the Carb Lake REE project, Ontario, Canada.

mapping to determine any areas of float or outcrop suitable for sampling. All available datasets have been used to plan the reconnaissance trip including recently acquired high resolution satellite imagery (Figure 3). This initial field program will provide essential information for planning future exploration activities.

Table 1. Carbonatite size comparison with other REE carbonatite complexes.

Carbonatite Complex	Location	Diameter (km)	Stage
Araxa	Brazil	5	Producing ⁱ
Carb Lake	Canada	+3	Exploration
Mount Weld	Australia	3	Producing ⁱⁱ
Pachpadra	Australia	Ellipse 3x1	Exploration ⁱⁱⁱ
Nechalacho	Canada	2	Producing ^{iv}
Kangankunde	Malawi	0.8	Development ^v

Cautionary Statement

The table above is presented to illustrate only the size of carbonatite complexes around the world. It should not be considered a comparison of company or project, a number of the projects in the table above are in development or production. The Carb Lake Carbonatite is in the early exploration stage and there is no certainty that further exploration work will result in determination of an economic mineral resource.

Project Background

The Carb Lake REE project comprises a large, +3km diameter circular magnetic anomaly known as the Carb Lake Carbonatite Complex prospective for Rare Earth Elements and Niobium. The Project area is located in north-western Ontario, 10km from the Manitoba border. The Project hosts a mid-Proterozoic aged carbonatite which intruded a suite of tonalites within the Northern Superior Superterrane which represents the northernmost exposure of Archaean Rocks in Ontario. The Project is located between two major tectonic terrane boundaries along the North Kenyon Fault, a significant crustal scale fault providing ideal plumbing for mantle derived magma to intrude through to the upper crust. The carbonatite is not exposed at surface with shallow cover from 7 to 12m.

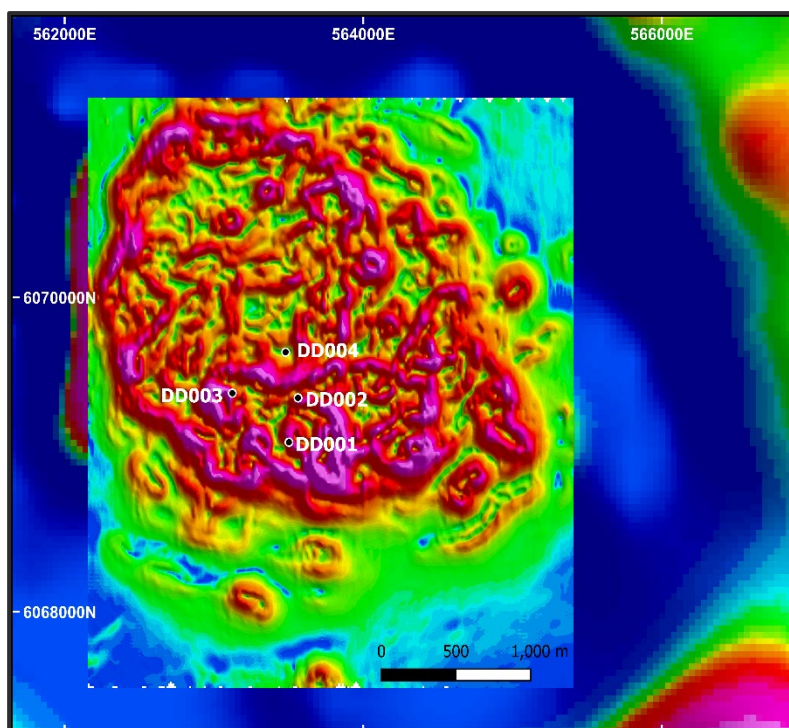


Figure 2. Horizontal gradient magnetics of the Carb Lake REE carbonatite complex, detailed 2011 survey over regional magnetics.

Very little exploration has been completed on the project. Four diamond holes (DD001-DD004, Figure 2 & 3) were drilled at Carb Lake in 1967 for a total of 564m. The drill core provided data for geochemical studies, completed by the Ontario Department of Mines, Geological Survey in the late 1960s and early 1970s, with much of the diamond core consumed for these studies. The best results reported were from DD004, drilled into the centre of the carbonatite complex in an area of low magnetic intensity (Figure 2), with two samples reporting **>5% Ce and >1% La**. One sample reported a value of 7.1% Nb^{vi}.

Cazaly's recent program of pXRF^{vii} on the remaining historical drill core, mostly drill holes 001 and 002 (Figure 2), validated the potential for the Carb Lake carbonatite to host economic REE and Nb mineralisation. **The best pXRF results include Nb 0.6%; La 3.36%; Ce 4.34%; Pr 0.42%; Nd 1.49%**^{vii}.

Cautionary Statement

The historical exploration results reported have been sourced from public reports and are not reported in accordance with the JORC Code. The historical information is an accurate representation of the available data for project that has been sourced to date.

The pXRF exploration results reported herein have been collected on historical core samples and are not equivalent to analytical laboratory results. The use of spot pXRF readings only provides an indication of the potential order of magnitude of analytical laboratory assay results. The downhole location of pXRF results collected cannot be relied upon for actual location due to the incomplete nature of the remaining historical drill core.

ENDS

For and on behalf of the Cazaly Board

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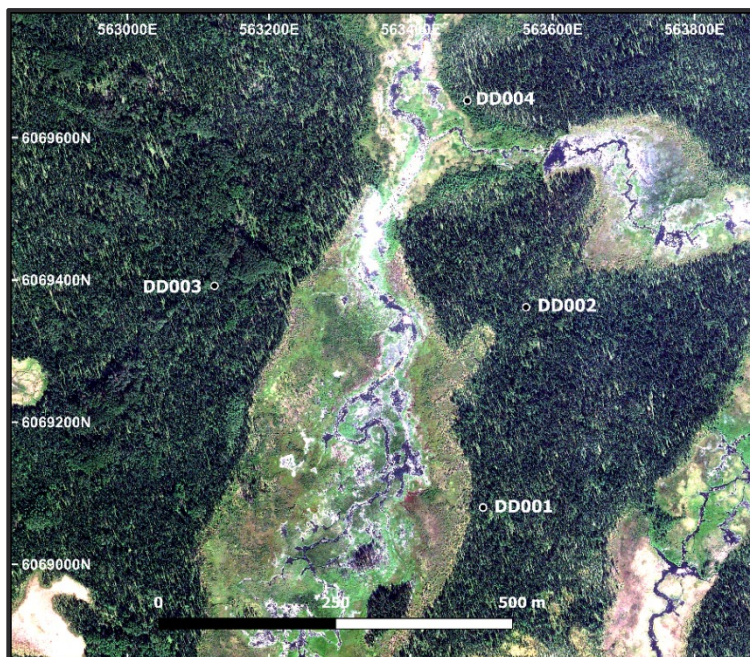


Figure 3. Drill hole locations on high resolution satellite imagery with historical drill hole locations.

Media Enquiries

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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 historical information was not reported in accordance with JORC 2012, and the recent information was reported in accordance with JORC 2012, it is also 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, 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.

ⁱ 2013. Clay, A.N., and Ackroyd, B. A preliminary economic assessment in the form of an independent technical report on MBAC Fertilizer Corp. Araxá project located in Minas Gerais State, Brazil, as amended, prepared by Venmyn Rand (Pty) Limited.

ⁱⁱ <https://lynasrareearths.com/about-us/locations/mt-weld-western-australia/>

ⁱⁱⁱ 2022. ASX: WA1 ASX Announcement. West Arunta Project, Discovery of Niobium-REE Mineralised Carbonatite System.

^{iv} 2011. Bakker, F., *et al.* Technical report on the Nechalacho deposit, Thor Lake project, Northwest Territories, Canada. Prepared by Avalon Rare Metals Inc. Report for NI 43-101.

^v <https://www.lindianresources.com.au/kangankunde-rare-earths>. 18 August 2023.

^{vi} For further details refer to ASX: CAZ Announcements 3 May 2023 and 14 June 2023.

^{vii} For further details refer to ASX: CAZ Announcement 31 July 2023.