

CAZALY RESOURCES LIMITED

RC AND DIAMOND DRILLING RESULTS HALLS CREEK COPPER PROJECT

- **Diamond Drilling results confirm ‘Feeder’ copper/zinc mineralisation in a broad alteration envelope. Best value of:**
 - 7m @ 1.12% Cu Equiv. (HCRD0044)**
- **Pre-collar RC Results extend the Massive Sulphide blanket at Mt Angelo North**
- **Previously announced Pre-collar RC results included:**
 - 27m @ 2.86% Cu Equiv. (HCRD0047)**
 - 21m @ 1.95% Cu Equiv. (HCRD0044)**
 - 18m @ 1.6% Cu Equiv. (HCRD0050)**
- **Maiden Resource Estimation planned December Quarter.**

Cazaly Resources Limited (**ASX: CAZ**, “Cazaly” or “the Company”) is pleased to announce final results from RC and diamond drilling from the Mt Angelo North copper deposit located in the Kimberley region of Western Australia.

The Halls Creek Copper Project is subject to an agreement with 3D Resources Limited (**ASX: DDD**, “3D”) whereby Cazaly may earn up to a 75% interest in the Project.

As previously announced, 10 pre-collar RC and 9 diamond tails were completed totalling 1,115m RC and 681m diamond for this programme. The RC pre-collars drilled on the eastern flank of the upper massive sulphide zone were successful in extending mineralisation by up to 40m to the east and remains open.

A complete list of intercepts from this drilling is shown in Table 1 below:

Table 1. Drill intercepts from the RC pre-collars and Diamond drilling at Mt Angelo North

HoleID	East	North	Dip/Azi	Hole Depth (m)	Intercept							Cu Eq
					From (m)	Length (m)	Cu (%)	Pb (%)	Zn (%)	Ag (ppm)	Au (ppm)	
HCRD0043	340518	7960555	-60/300	171.5	50	23	0.60	0.17	1.97	9.0	0.13	1.13
			Includes		65	2	1.31	0.39	5.98	21.4	0.18	2.90
HCRD0044	340488	7960540	-70/300	114.1	74	21	1.11	0.07	3.29	10.5	0.11	1.95
			Includes		76	3	0.77	0.05	5.27	5.2	0.11	2.09
			and		85	8	1.71	0.14	3.43	20.4	0.17	2.59
					103	2	0.10		1.66	1.0		0.51
					130	7	1.11		0.03	2.6		1.12
HCRD0045	340516	7960605	-90	50	16	2	0.45	0.06	0.81	6.5		0.66
					25	4	0.98	0.09	1.30	22.0	0.12	1.33
					38	11	0.54	0.06	1.95	7.6	0.08	1.04
HCRD0046	340504	7960591	-70/300	139	38	6	0.52	0.06	0.77	8.2	0.06	0.73
HCRD0047	340471	7960631	-80/120	134.3	10	12	0.32	1.79	1.80	67.0	0.44	1.28
			Includes		19	2	0.15	4.92	7.17	170.0	0.56	3.31
					26	27	2.60	0.06	0.94	14.8	0.30	2.86
HCRD0048	340475	7960496	-75/300	237.6	93	5	0.57	0.21	2.11	18.4	0.14	1.15
					104	2	1.12	0.18	1.63	13.8	0.09	1.58
HCRD0049	340538	7960570	-67/300	196.2	NO SIGNIFICANT ASSAYS							
HCRD0050	340530	7960536	-65/300	120	63	18	0.88	0.19	2.69	15.7	0.20	1.60
			Includes		66	2	0.49		7.72	8.6	0.36	2.42
					141	2	0.56		2.20	3.1		1.11
HCRD0051	340504	7960529	-75/300	272.6	76	9	1.12	0.25	2.42	16.8	0.25	1.79
			Includes		79	3	1.88	0.30	3.29	23.3	0.35	2.78
HCRD0053	340530	7960536	-65/300	149.5	NO SIGNIFICANT ASSAYS							

Notes:

All holes located by DGPS with accuracy <1 metre, GRID GDA94 Zone 52

Down-hole surveys conducted between 15-30m intervals

There is insufficient geological information to determine the true widths of the mineralised intercepts

Cu, Pb, Zn and Ag analysed by 4 acid digest and ICP-MS finish

Au analysed by Fire Assay and AAS finish

Cu Eq% Calculated using prices of US\$7,500/t Copper, US\$2,100/t Lead, US\$1,850/t Zinc, US\$25/oz Silver, US\$1,500/oz Gold

Cu Eq% intercepts calculated using a 0.5% lower cut, no internal waste of greater than 3 metres, no more than two segments of internal waste per intercept

Eastern extensions of mineralisation included up to 18 metres thick intercept of massive to semi-massive sulphide in HCRD0050 extending the VMS blanket mineralisation. The mineralisation is not closed off and further drilling maybe completed in the current field season to test for further extensions around these shallow zones.

A number of zones of stringer mineralisation and alteration were intersected in diamond drilling. Subsequent analyses determined that these zones included sulphide species; pyrite, pyrrhotite, chalcopyrite and sphalerite in varying proportions. A number of the better grade mineralised intersections consisted of thin copper/zinc sulphides within broad chlorite, pyrite, pyrrhotite alteration. Other down-hole multi element geochemical data shows anomalous zonation in a number of areas that may be proximal to undiscovered mineralisation. These anomalies, as well as the extensive alteration in the diamond core and other drill data collected by the company to date, will be studied in detail to develop new targets for further exploration. This next phase of work may include down-hole geophysics as well as further drilling in the current northern field season.

The company plans to complete a maiden resource estimate based on drilling completed to date. This estimation should be finalised during the December 2013 Quarter.

ENDS

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Competent Person's Statement

The information that relates to exploration results and drilling data is based on information supplied by 3D resources Limited and compiled by Mr Clive Jones who is a Member of The Australasian Institute of Mining and Metallurgy and is an employee of the Company. Mr Jones has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jones consents to the inclusion of his name in the matters based on the information in the form and context in which it appears.