



CAZALY RESOURCES LIMITED

HALLS CREEK COPPER PROJECT FIELDWORK COMMENCES

Cazaly Resources Limited (ASX: CAZ, "Cazaly" or "the Company") is pleased to announce that following the recently completed full acquisition of the Halls Creek Copper Project ('Project'), fieldwork has now commenced for the 2021 season.

The Project is situated near the township of Halls Creek covering part of the Halls Creek Mobile Zone and is highly prospective for a range of commodities and covers approximately 45 square kilometres (figure 1). The Project hosts the *Mount Angelo Copper-Zinc* deposit, an extensive zone of near surface oxidised Cu-Zn mineralisation overlying massive Cu-Zn sulphide mineralisation. Previous results from work conducted by Cazaly at Mount Angelo included; **64m @ 2.72% Cu (1.13% Zn), 62m @ 2.41% Cu (2.75% Zn), 37m @ 2.63% Cu (6.05% Zn), 16m @ 5.91% Cu, 18m @ 2.53% Cu** (refer to CAZ ASX announcements dated 11 December 2012 & 20 June 2013 and Table 1).

The Project also hosts a large lower grade copper deposit associated with a high level felsic intrusive at the Mount Angelo Porphyry prospect, now re-named the *Bommie Porphyry* prospect. The porphyry system is large with extensive intercepts of disseminated and occasional semi-massive sulphides. The Company previously completed first pass drilling at the prospect, located 2.5km to the south west of the Mt Angelo North deposit, with five reverse circulation (RC) holes. Mineralised intercepts reported included; **170m @ 0.40% Cu, 178m @ 0.30% Cu and 136m @ 0.31% Cu**. Some higher grade intercepts within these included **23m @ 1.00% Cu and 7m @ 1.26% Cu**, indicating potential for the delineation of higher grade zones in the system (refer to CAZ:ASX June 2013 Quarterly Activities Report and Table 2).

Since finalising the acquisition, the Company has conducted a full review of all previous exploration on the project focussing on the Mount Angelo Cu-Zn deposit, its potential depth and strike extensions and the prospectivity of the nearby Bommie Porphyry prospect. There remains very good upside potential with mapping defining the untested northern extensions of the deposit including mapping out of the important Banded Iron Formation capping unit. Furthermore, previously defined downhole EM conductors have yet to be drill tested whilst several other target areas have been identified based upon geochemistry and structural and stratigraphic associations.

Proposed Work

A field crew has been mobilised to initially conduct geochemical soil surveys over several target areas including the strike extensions of the Mount Angelo deposit and over the Bommie Porphyry prospect and other target areas (figure 2). Some doubt exists on the veracity of previous geochemical surveys and lines of check sampling and assaying will also be completed to test the veracity of this historic work.

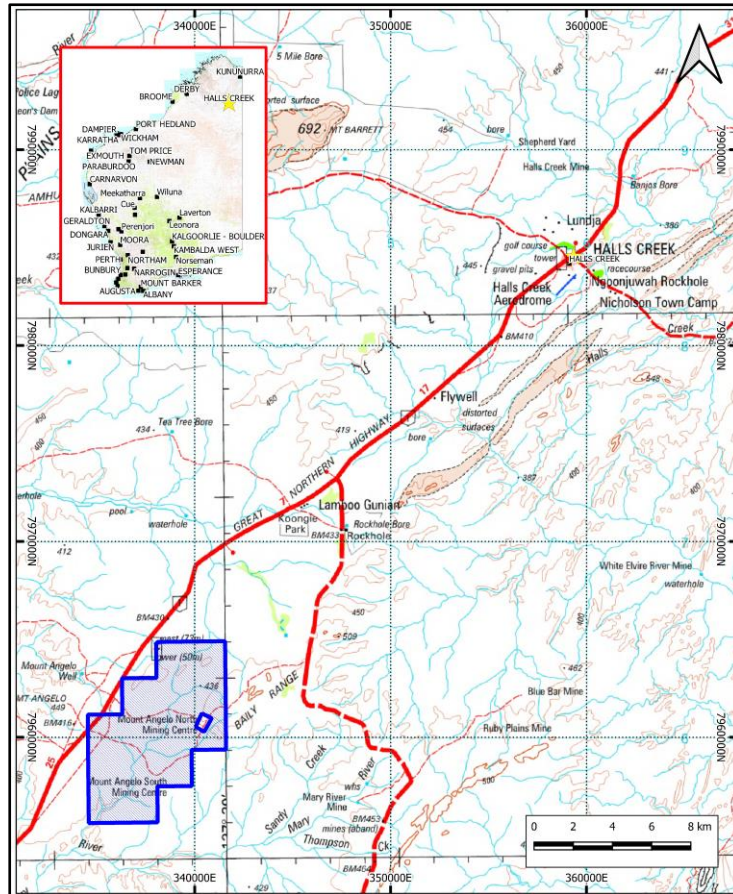


Figure 1: Location of the Halls Creek Copper Project

Other planned work includes a ground magnetometer survey and SQUID_EM lines targeting potential deep conductors within the immediate footprint of the Mount Angelo VMS system. The SQUID_EM survey also aims to test for additional lenses within the mapped sequence of prospective Koongie Park volcanics up to the *Grunters* prospect.

Initial RC/DDH drilling is planned at the Mt Angelo North Prospect testing the downhole EM conductor target as well as the basal sea floor unit down dip of the known VMS mineralisation. A previous ground-based IP survey also identified a chargeability anomaly to the north-east of known mineralisation which has not been effectively tested to date. The RC/DDH drilling program comprises up to ten holes at the Mt Angelo North Prospect. A drilling rig for the programme has yet to be secured with surety however, the Company expects that drilling will probably commence in June/July whilst the SQUID_EM survey will commence the same time or potentially earlier.

Drilling is also planned for the Bommie Porphyry prospect largely to test a chargeability anomaly present immediately north of modelled mineralisation and at depth where mineralisation is potentially offset along a fault. Evidence of structural controls on the higher grades zones will also be tested. Drilling will also test a possible skarn like target as well as interpreted extensions to the main porphyry body.

Other drilling is planned to commence at the *Grunters* prospect targeting a coincident geophysical and geochemical anomaly along strike of the Mount Angelo VMS deposit. A defining feature of the Mount Angelo deposit is the recognition of a BIF unit which acts as a marker horizon within the VMS mineralisation. The unit represents seafloor sedimentation and is typically observed in volcanogenic massive sulphide deposits. This unit is seen in sporadic outcrops along strike for over 1km to the north of the deposit within felsic sediments which host the deposit mineralisation. This area is largely covered by surficial alluvium and has never been drill tested.

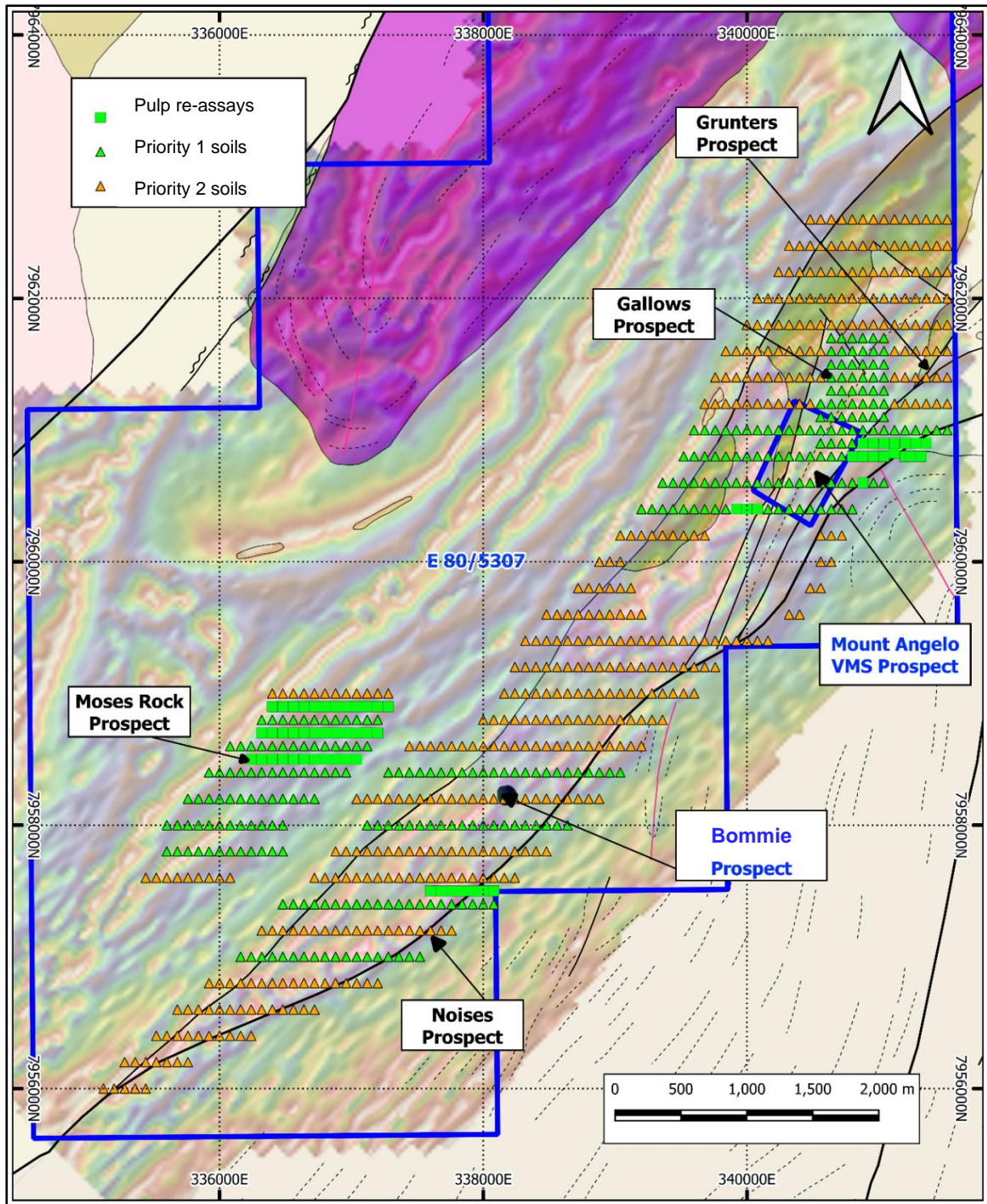


Figure 2: Proposed Soil sampling over the Mount Angelo area with broad geology and magnetic image

Table 1: Drill Intercepts referred to herein, Mount Angelo North Prospect

HoleID	East	North	Hole Depth	Intercept						
				From	Length m	Cu (%)	Pb (%)	Zn (%)	Ag (ppm)	Au (ppm)
HCDD001	340486	7960661	60	5	18	2.53	0.23	1.16	22	0.22
HCDD003	340444	7960566	75.5	25	37	2.63	0.52	6.05	21	0.28
HCRC005	340433	7960590	100	86	62	2.41	0.10	2.75	16.00	0.04
HCRC015	340498	7960684	102	14	64	2.72	0.06	1.13	12.00	0.19

nb; Cu, Pb, Zn and Ag analysed by 4 acid digest and ICP-MS finish. Au analysed by Fire Assay and AAS finish.

All holes located on a MGA94-52 GDA grid

See CAZ ASX announcements dated 11 December 2012 & 20 June 2013 for further drill assay results

Table 2: Significant Drill Intercepts, Bommie Porphyry Prospect

HoleID	East	North	GDA Grid	Hole Depth	GDA Azm	Dip	Intercept			
							From	To	Length	Cu (%)
HCRC0038	338347	7958367	MGA94_52	180	290	-60	0	170	170	0.40
			includes				141	164	23	1.00
HCRC0039	338313	7958423	MGA94_52	200	290	-65	6	184	178	0.30
HCRC0041	338315	7958581	MGA94_52	150	290	-60	0	92	92	0.36
			includes				45	52	7	1.26
HCRC0042	338535	7958669	MGA94_52	150	290	-60	0	136	136	0.31

*nb: Significant Intersections RC Drilling, > 0.2% Cu, high-grade > 0.5% Cu.
All elements analysed by aqua regia digest and ICPMS finish
See CAZ ASX June 2013 Quarterly Activities Report for further information*

Now that the Company has regained control of the project it is pleased to have recommenced its exploration activities at the Halls Creek project and looks forward to announcing further details including the commencement of drilling and ground geophysical surveys.

The information provided in this announcement was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

ENDS

For and on behalf of the Cazaly Board.

For further information please contact:

Nathan McMahon / Clive Jones

Directors

Cazaly Resources Limited

Tel: +61 8 9322 6283 Em: admin@cazalyresources.com.au Website: www.cazalyresources.com.au

The information contained herein that relates to Exploration Results is based upon information compiled or reviewed by Mr Clive Jones, who is an employee of the Company. Mr Jones is a Member of the Australasian Institute of Mining and Metallurgy 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 Jones consents to the inclusion of his name in the matters based on the information in the form and context in which it appears.

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