



**EXPLORATION UPDATE
ASHBURTON & YABBY PROJECTS**

Cazaly Resources Limited (ASX: CAZ, “Cazaly” or “the Company”) is pleased to announce that the first on ground regional exploration programs were completed across the Yabby tenements, located in the north-eastern goldfields near Laverton, and across the recently granted tenements on the Ashburton Project, located in the Pilbara region of Western Australia.

Ashburton Project

A total of 1,211 surface samples were collected across the Ashburton Project during November and December 2021 to:

- provide a regional scale geochemical database across the tenement package,
- refine, previously identified structural targets areas, and
- provide sufficient information across the vast 2,450km² project area to prioritise gold and base metal targets for further work.

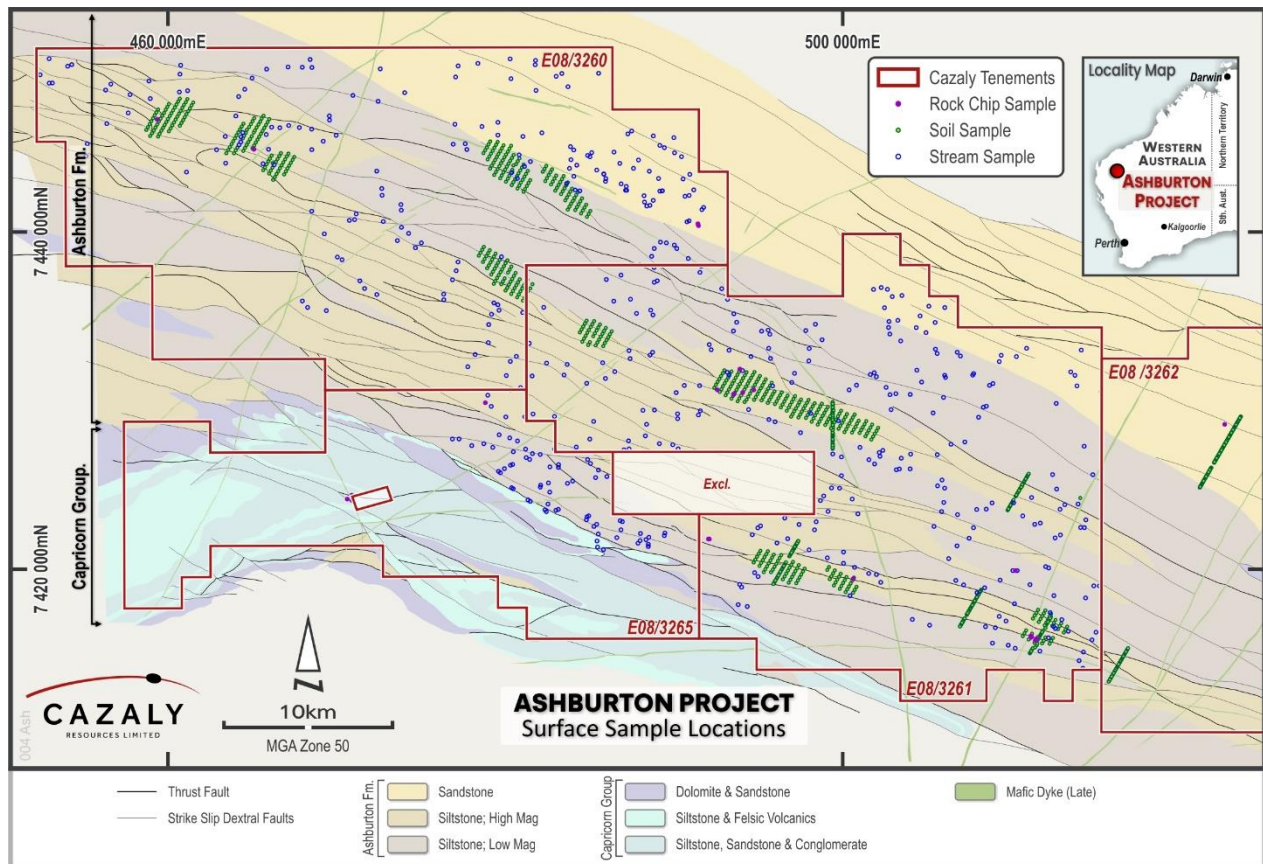


Figure 1. Location of Ashburton surface sample locations.

In addition, 23 rock chip samples were collected where outcrops showed visual signs of significant vein material, alteration or sulphide mineralisation. All samples were submitted to the laboratory in December 2021, however due to significant delays with laboratory processing, analytical results are not expected until mid February 2022.

Cazaly holds the rights to a major land position covering more than 2,450km² in the Ashburton Basin, in the Pilbara region of Western Australia. The project covers major regional structures considered to be highly prospective for major gold mineralisation and occurs in the region hosting Northern Star’s (ASX:NST) Paulsen’s gold deposit and Kalamazoo’s (ASX:KZR) recently acquired Mount Olympus gold deposit.

Yabby Project

The Yabby tenements are located 10km to the west of Laverton in the north-eastern goldfields of Western Australia. The project area covers 16km² of the highly prospective Laverton Greenstone Belt and has potential for new nickel and gold discoveries. Tenements overlie the interpreted continuation of the mineralised ultramafic host to Poseidon’s *South Windarra* nickel mine and are positioned directly to the north of the *Lady Julie* Gold deposit where gold mineralisation extends from surface with recent drill results including 22m @ 4.1 g/t gold from surface, and 16m @ 5.59 g/t gold from 20m (Magnetic Resources (MAU) ASX announcement released 10th January 2022).

Field work consisted of the collection of 209 lag samples on a 400m x 200m grid across the entire project area to identify targets for follow up exploration. Samples have been submitted to the laboratory in Perth for multi-element analysis. A turnaround of approximately 12 weeks is expected.

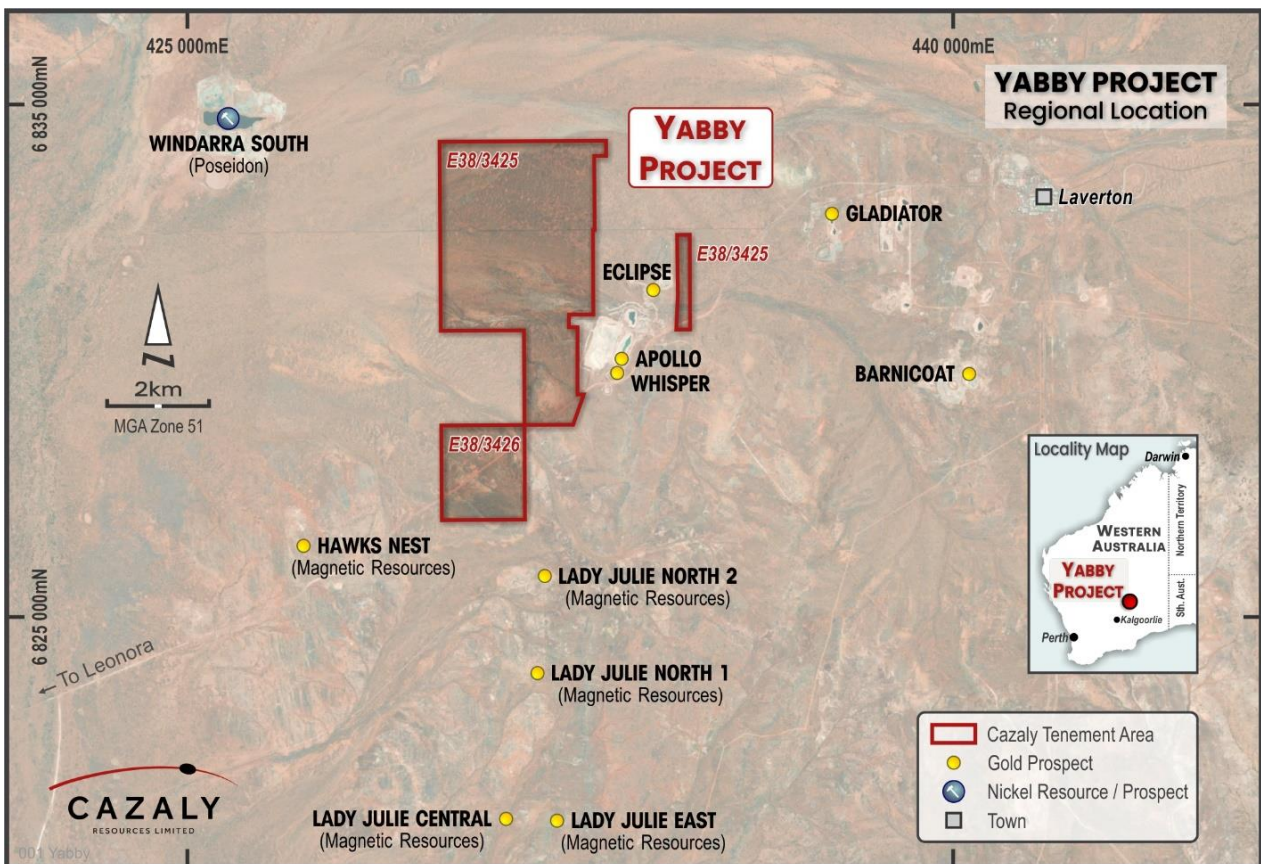


Figure 2. Location of Yabby Project, Laverton north-eastern Goldfields.

Cazaly's MD Tara French commented *"It's a great outcome to complete the first phase of surface exploration work over both the Ashburton and Yabby Projects, while we are unable to access our Halls Creek Project for drilling. The laboratory turnaround time for assay results is frustrating, but unfortunately, it's what the entire industry has to deal with in the current climate. Once analytical results are received, we will be in a position to prioritise target areas and look forward to getting back on the ground as soon as possible to advance our exploration efforts in 2022. Halls Creek Project heritage surveys scheduled for late 2021 have been delayed and we are working hard to secure a new survey date. Meanwhile, we look forward to progressing both the Ashburton and the new Yabby project."*

ENDS

For and on behalf of the Cazaly Board

For further information please contact:

Tara French (MD) / Clive Jones (Executive Director)

Cazaly Resources Limited

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