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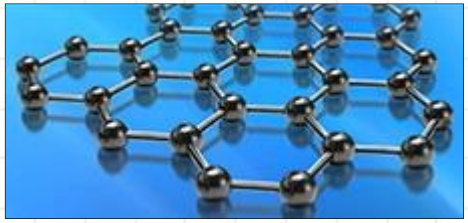
McKenzie Springs
Nickel-Graphite Project



October 2015

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- The Company has not fully completed feasibility studies on all its projects. Accordingly, there is no certainty that such projects will be economically successful. Mineral resources that are not ore reserves do not have demonstrated economic viability.
- The information that relates to exploration targets, exploration results and drilling data of Cazaly operated projects is based on information compiled by Mr Clive Jones and Mr Donald Horn who are Members of The Australasian Institute of Mining and Metallurgy and The Australian Institute of Geoscientists respectively and are employees of the Company. Mr Jones and Mr Horn have sufficient experience 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jones and Mr Horn consent to the inclusion in their names in the matters based on their information in the form and context in which it appears.

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Company Snapshot

ASX: CAZ

Cazaly is an Australian minerals explorer/developer whose key asset is the 'mine ready' *Parker Range Iron Ore Project* located in the Yilgarn region of Western Australia

The Company is looking to further explore its *McKenzie Springs Project* for **'Savannah' style magmatic Nickel** mineralisation and for **high purity flake graphite** akin to the neighbouring Macintosh Project (Lamboo Resources Ltd)

Fully Paid Shares	130.5M
Options ($0.10 - $0.49)	4.725M
Market Cap @ $0.03	~$4.0M

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Value

Proven, Hands On Explorers…

- **Cazaly has a strong track record of project recognition and discovery**
- **Large project tenure with over 13km of fertile nickel stratigraphy and 15km of graphite bearing strike potential defined**
- **Proven mineral district, adjacent to Lamboo Resource's McIntosh Graphite & Savannah Nickel deposits**
- **Targeting nickel sulphides & coarse, high purity Graphite**

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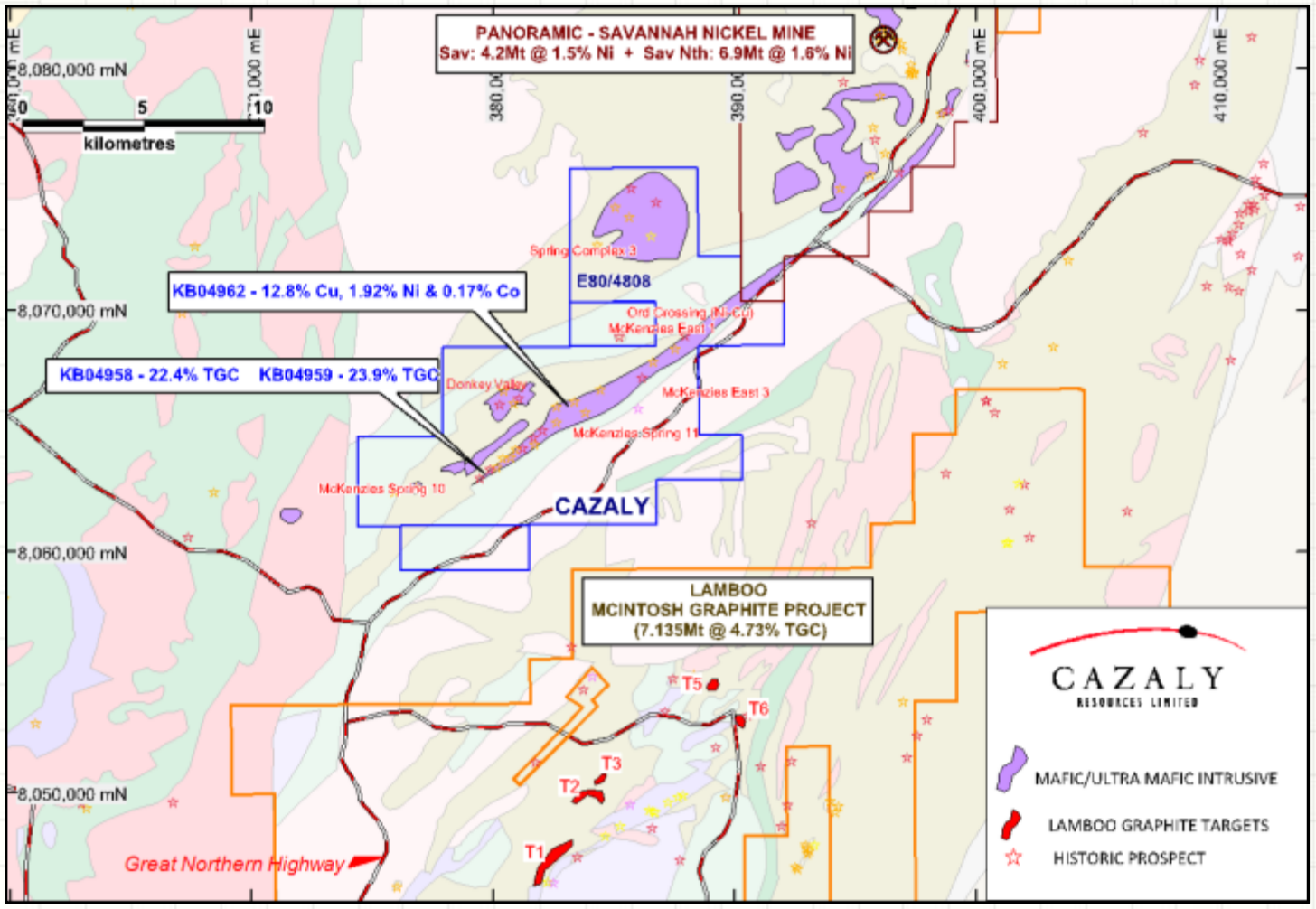
McKenzie Springs

- **Extensive land position**
- **Proven mineral district**
- **Nickel & Graphite targets**
- **Minimal historic work**



McKenzie Springs Nickel

- Located immediately south & along strike of the Savannah Nickel Mine (Panoramic Resources Limited)
- Outcropping gossans located and sampled
- High grade surface samples from gossans returned; 12.8% Cu, 1.92% Ni, 0.17% Co
- Prospective basal contact of host ultramafic units extends for over 13km. Very limited historic work
- Historic drilling confirms 'fertile' ultramafics; intercepts of 93m @ 0.16% Ni, 43m @ 0.23% Ni…
- Interpretation of recently acquired electromagnetic survey data defines priority targets

Airborne EM Surveying

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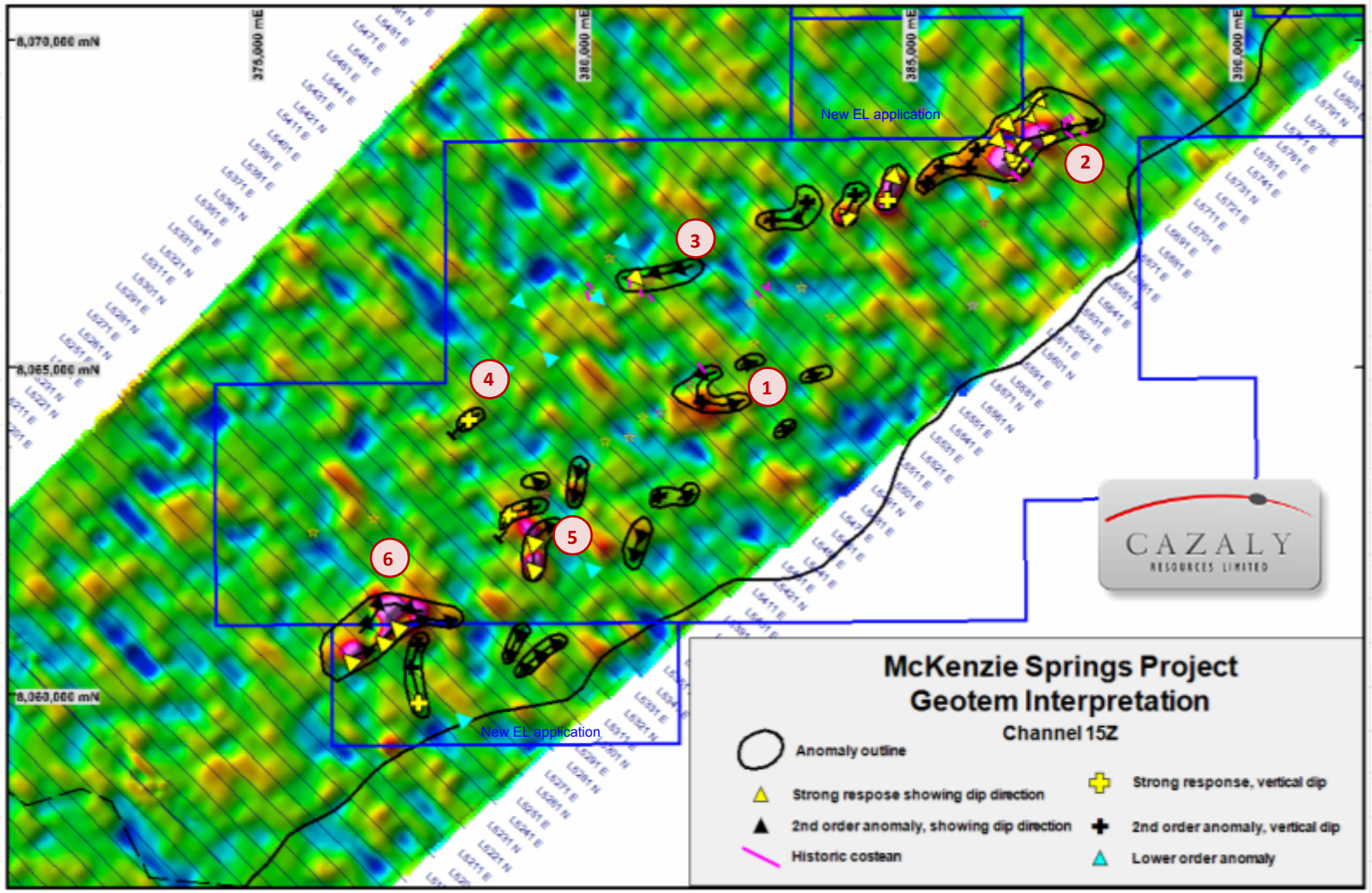
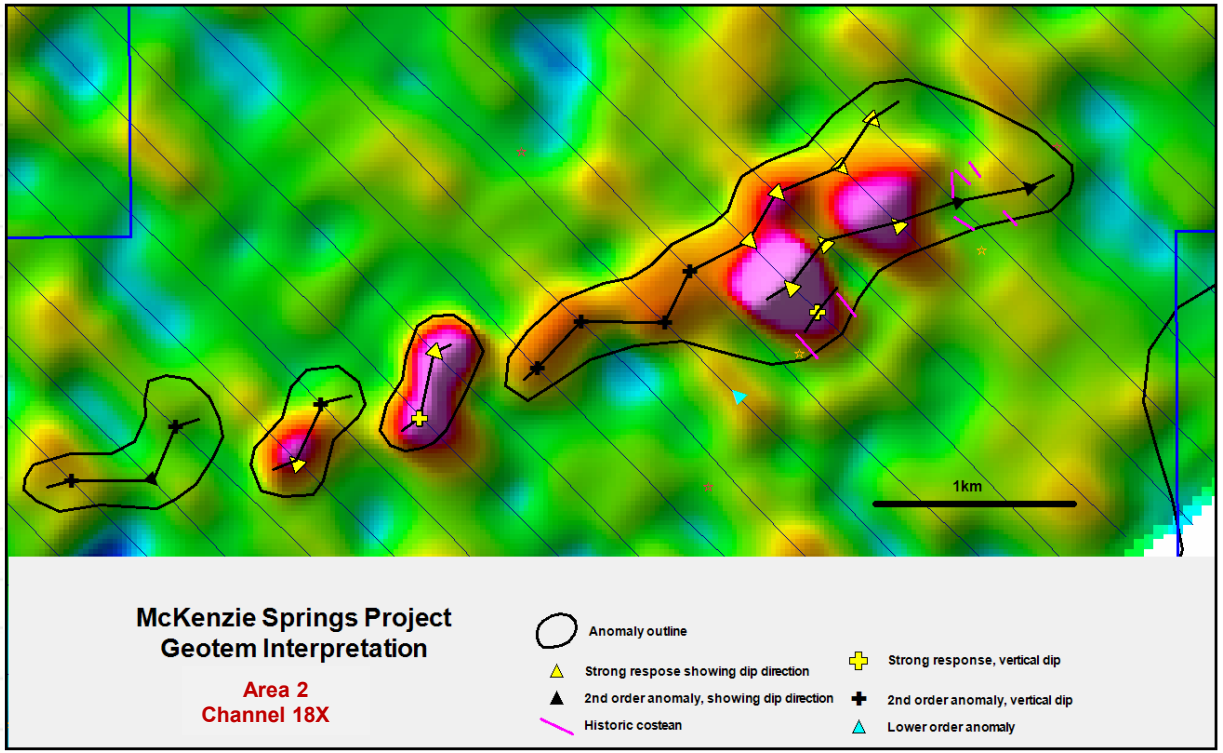
McKenzie Springs Nickel

- **EM survey** defines six Areas of interest
- Coincident with **known gossans**
- Very **limited to no drilling** over targets



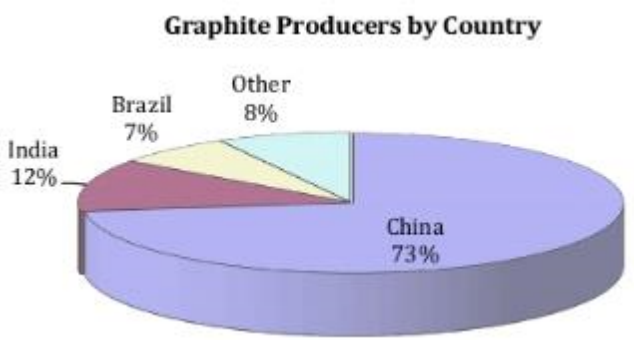
McKenzie Springs Nickel

- EM targets currently being assessed on the ground.
- Follow up detailed ground geophysics & drilling planned
- Project recently expanded with two new contiguous EL applications

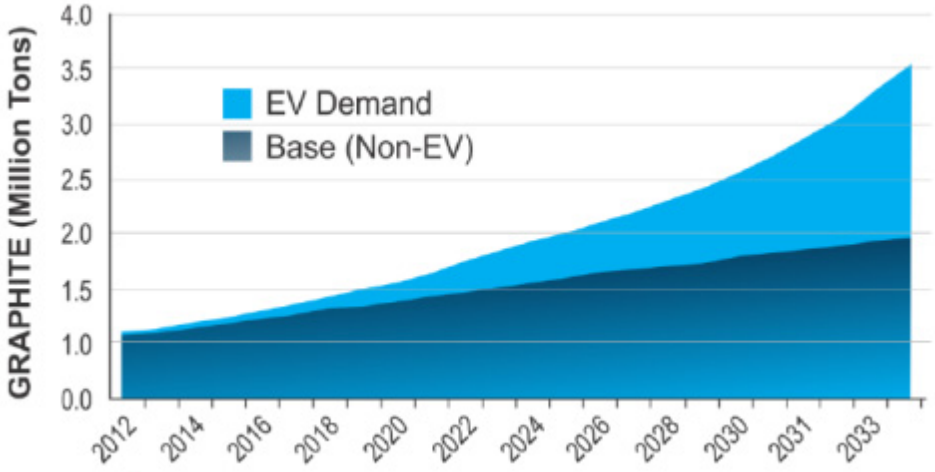


Graphite *$12 Billion Growing Market*

- **Traditionally** utilised in steel making, auto parts, lubricants
- **Future & recent demand** from lithium & vanadium batteries, pebble-bed reactors & fuel cells



- Current **demand exceeds supply**, prices more than doubled
- Supply an issue as **China accounts for ~80%** of world supply
- Labelled a "**Supply critical mineral**" & a "**Strategic mineral**" by the USA & European Union

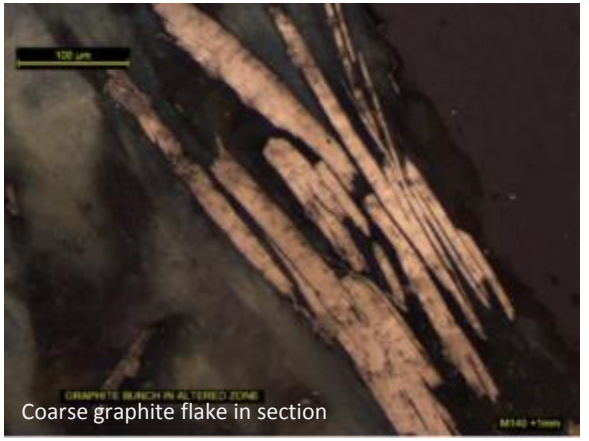


Source: seekingalpha.com EV: electric vehicles

McKenzie Springs Graphite

- **High grade graphite** surface samples (22.4 – 23.9% TGC)
- **~15km strike** of graphite bearing stratigraphy
- **Geological setting** similar to McIntosh deposits
- Preliminary **petrographic analyses** positive
- Graphite dominated by **Coarse Flake** (65% >300 µm)
- **EM data** defines targets for drilling

Size Classification	Micron	Flake Distribution %
Jumbo	>500µm	20%
Extra Large	>300µm	45%
Large	>200µm	15%
Medium	<200µm	20%


Coarse graphite flake in section

Summary

- Extensive fertile Nickel belt with high grade surface results
- Project along strike of the *Savannah Nickel mine* and adjacent to the high quality *McIntosh flake graphite* project
- Proven quality mineral province
- Very high grade graphite samples from a 15km long prospective horizon
- EM survey defines definitive targets for both commodities
- Exploration programmes underway
- Company has several other projects in JV over a range of commodities
- Cheap entry into potential discovery of high value resources

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Value realisation through the recognition, exploration & discovery of high value mineral projects…

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