

Anomalous results from surface sampling at Lyons REE project

Highlights

Positive results from initial surface sampling campaign

Multiple surface geochemical anomalies including Gold, REE, Nb, and LCT

Cazaly Resources Limited (ASX:CAZ, Cazaly, or the Company) is pleased to provide an update on exploration activities at the Lyons REE project located in the emerging REE district of the Gascoyne Province, Western Australia.

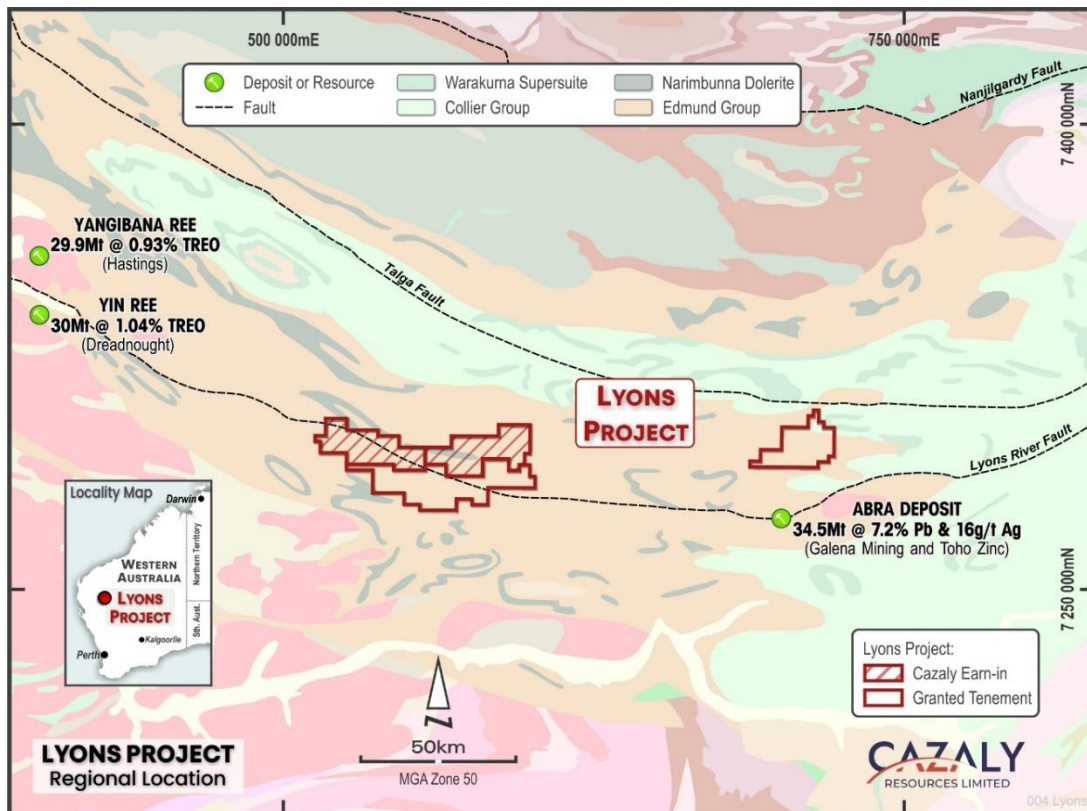


Figure 1. Lyons Project location in the Gascoyne REE province in Western Australia, relative to significant deposits related to the Lyons River Fault system.

The Lyons Project occupies over 1,000km² in the emerging Gascoyne REE province in Western Australia. The project covers over 50 strike kilometres of the Lyons River Fault which is closely associated with significant REE deposits (Figure 1) at Yangibana (Hastings Metals) and Yin (Dreadnought). Economic base metal mineralisation is also associated with splays off this regional scale Fault at the Abra Base metal deposit (Galena Mining & Toho Zinc).

Reconnaissance surface sampling was undertaken at the Lyons Project during November 2023, 212 stream sediment samples were collected across three target areas (A1-A3) to test the potential for REE and base metal mineralisation, details are listed in Appendix 1. All samples were sieved to -75um and assayed at Intertek laboratories using a high resolution aqua regia method. Analytical results have been received and interpreted by an independent geochemical consultant. Geochemical anomalies are shown on figure 2, the most promising anomalies were identified at Target A3, and follow up work will be planned to determine the veracity of these REE and Nb anomalies.

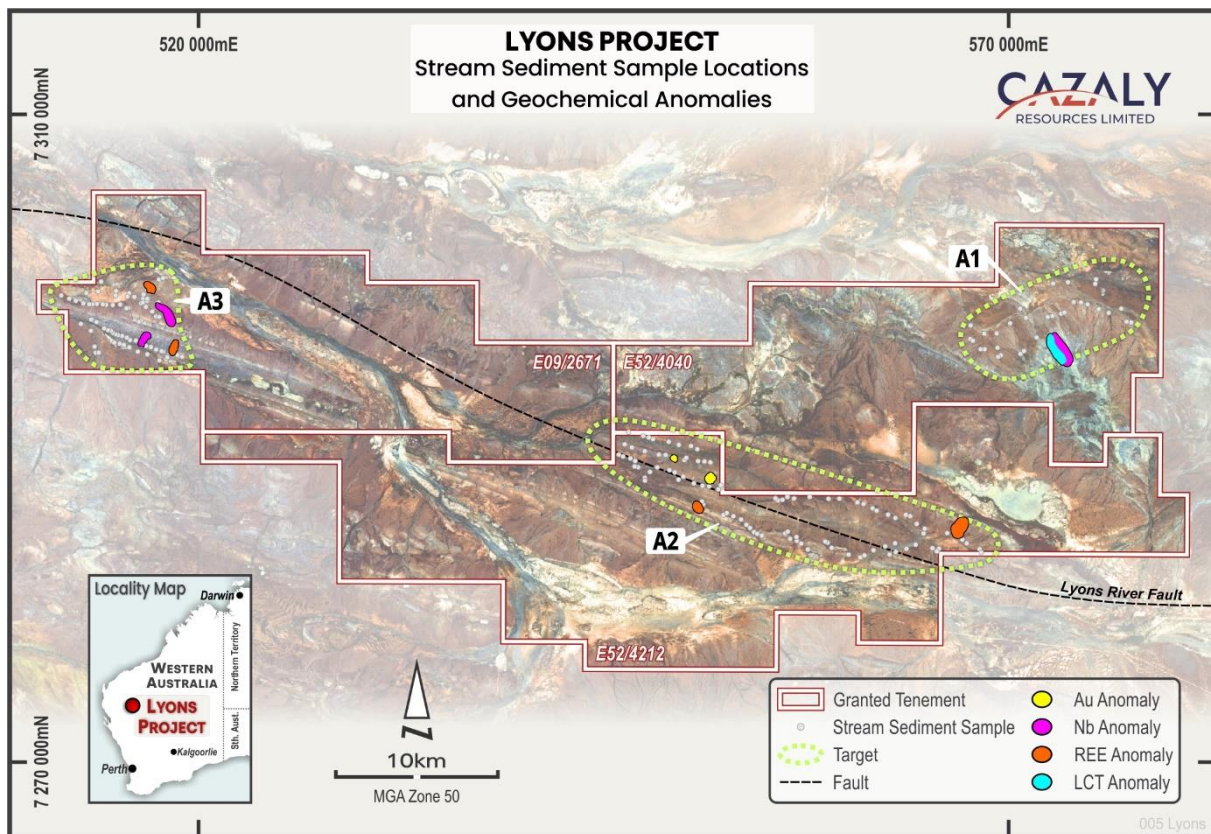


Figure 2. Surface geochemical anomalies identified at the Lyons Project.

Refer to ASX announcements dated 2 August 2023 and 5 December 2023 for further details on the Lyons Project.

ENDS

For and on behalf of the Cazaly Board

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Competent Persons Statement

The information in this report accurately represents the available data as per references provided, 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'.

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.

APPENDIX 1: Analytical Results

Table 1. Sediment sample results above 50ppm Ce.

Sample Number	Tenement	Northing	Easting	Au ppb	As ppm	Bi ppm	Ce ppm	Cu ppm	La ppm	Li ppm	Nb ppm	Pb ppm	Ti ppm	Zn ppm
LY0006	E52/4040	7295495	568312	0.8	6.9	0.4	53.4	39.1	17.9	5.7	0.3	14.0	387	47.3
LY0020	E52/4040	7299537	572795	0.5	7.3	0.3	55.0	29.7	21.8	5.4	0.4	12.9	406	55.3
LY0029	E52/4040	7297985	576964	0.4	4.0	0.3	52.2	19.1	24.9	7.2	0.2	11.6	437	37.4
LY0039	E09/2671	7297791	517167	0.9	5.1	0.3	56.8	39.2	21.0	4.1	0.3	10.6	473	51.3
LY0040	E09/2671	7298248	517419	1.6	6.8	0.4	52.9	44.0	17.6	6.3	0.5	12.7	507	51.5
LY0041	E09/2671	7299845	517547	0.7	6.4	0.3	56.8	38.3	21.7	6.2	0.4	11.9	430	53.4
LY0042	E09/2671	7299876	517823	0.3	5.9	0.3	53.5	38.8	20.7	9.2	0.4	13.7	392	61.0
LY0043	E09/2671	7299074	516886	0.3	6.1	0.4	73.3	41.1	25.1	6.6	0.2	14.0	505	54.7
LY0044	E09/2671	7299110	516808	0.6	6.0	0.3	69.0	37.2	26.8	5.2	0.2	11.6	498	49.8
LY0046	E09/2671	7298884	516600	0.7	6.0	0.3	53.0	38.2	18.3	4.4	0.4	10.7	423	50.3
LY0048	E09/2671	7298633	516586	0.6	6.6	0.4	61.7	42.0	20.8	6.1	0.2	14.3	479	56.9
LY0049	E09/2671	7298382	516545	1.7	6.6	0.3	57.8	56.5	21.8	7.3	0.2	13.3	555	52.9
LY0051	E09/2671	7298115	516745	0.6	6.8	0.4	57.2	41.8	19.8	4.7	0.3	13.2	469	51.3
LY0052	E09/2671	7298479	516789	0.5	6.6	0.4	61.6	43.2	20.5	6.4	0.3	14.6	542	55.4
LY0053	E09/2671	7298642	516825	0.5	6.3	0.4	68.4	43.8	24.0	6.2	0.3	16.0	484	59.4
LY0059	E09/2671	7298971	515753	0.5	6.2	0.3	50.3	36.3	17.4	5.2	0.3	11.5	409	46.9
LY0061	E09/2671	7299081	514881	0.4	6.4	0.3	53.3	43.9	18.8	6.7	0.2	14.1	418	67.9
LY0065	E09/2671	7298953	513016	0.6	5.4	0.3	55.7	41.4	20.4	5.3	0.1	13.9	348	57.3
LY0082	E09/2671	7295223	518407	0.5	2.8	0.2	79.7	47.9	47.2	6.3	0.2	10.5	332	46.3
LY0089	E09/2671	7297315	513344	1.0	5.6	0.3	51.8	38.2	19.9	5.1	0.2	11.1	360	46.9
LY0095	E09/2671	7296526	514663	0.7	5.9	0.3	50.3	38.9	19.1	5.4	0.2	12.3	406	61.2
LY0101	E52/4212	7290375	546547	1.5	6.7	0.4	57.6	45.7	21.0	6.0	0.2	12.9	365	45.4
LY0104	E52/4212	7289938	548056	1.0	5.9	0.3	50.0	35.2	19.6	3.2	0.1	11.9	292	33.3
LY0106	E52/4212	7289587	549635	0.4	5.6	0.3	50.8	34.9	17.8	4.7	0.3	11.3	388	46.8
LY0110	E52/4212	7289427	546711	0.6	6.5	0.3	52.0	32.7	19.9	4.7	0.2	17.8	417	41.9
LY0118	E52/4212	7288618	550830	0.7	6.2	0.3	55.5	32.9	17.7	3.5	0.2	17.1	407	37.1
LY0121	E52/4212	7287338	551549	5.3	5.9	0.3	55.9	30.4	19.7	4.8	0.2	13.2	414	47.0
LY0124	E52/4212	7286830	552070	1.2	7.1	0.4	62.5	39.6	19.2	5.8	0.3	18.2	437	39.3
LY0126	E52/4212	7287095	552235	1.0	5.9	0.3	57.2	32.3	20.5	4.9	0.2	14.3	413	55.3
LY0131	E52/4212	7288254	546914	0.9	6.4	0.3	59.3	39.1	20.6	5.6	0.3	13.7	400	37.2
LY0132	E52/4212	7288227	547157	1.5	6.3	0.3	55.2	39.0	18.5	4.8	0.3	13.1	387	43.4
LY0133	E52/4212	7287532	547535	0.5	7.1	0.4	61.3	38.3	19.3	5.1	0.4	15.2	387	45.0

Sample Number	Tenement	Northing	Easting	Au ppb	As ppm	Bi ppm	Ce ppm	Cu ppm	La ppm	Li ppm	Nb ppm	Pb ppm	Ti ppm	Zn ppm
LY0134	E52/4212	7287363	547557	0.6	5.2	0.3	51.0	33.4	17.6	3.7	0.4	11.5	394	36.8
LY0135	E52/4212	7287886	547861	1.8	5.9	0.3	52.8	39.1	17.5	5.5	0.4	11.9	325	43.6
LY0137	E52/4212	7287978	549056	0.7	5.8	0.3	53.3	27.3	19.2	4.0	0.2	13.3	328	35.9
LY0139	E52/4212	7287451	549678	0.9	6.3	0.3	59.0	31.4	19.1	4.0	0.4	16.4	346	40.1
LY0142	E52/4212	7286058	551050	0.7	4.5	0.3	55.2	25.9	17.3	2.6	0.3	14.7	342	26.1
LY0143	E52/4212	7285885	551108	0.6	6.4	0.3	54.8	41.0	18.0	4.6	0.2	12.3	437	45.5
LY0144	E52/4212	7285901	550866	0.6	5.4	0.3	82.8	36.4	24.6	4.1	0.2	12.2	393	42.3
LY0146	E52/4212	7283980	554757	0.8	6.5	0.3	51.4	34.3	17.4	4.4	0.2	10.9	382	40.9
LY0149	E52/4212	7284197	554260	0.4	5.7	0.3	53.8	35.2	18.8	4.0	0.3	12.3	429	44.0
LY0150	E52/4212	7284479	554049	0.3	5.1	0.3	52.8	36.8	18.6	3.5	0.3	11.8	430	40.6
LY0154	E52/4212	7285388	552546	0.7	5.2	0.3	56.1	30.2	15.6	3.4	0.2	16.5	333	34.9
LY0157	E52/4212	7283500	557183	0.5	6.0	0.3	51.7	33.7	18.1	3.1	0.3	12.8	386	37.7
LY0159	E52/4212	7283929	556947	0.5	5.2	0.3	50.9	28.6	18.2	3.1	0.2	10.7	330	28.7
LY0160	E52/4212	7284244	556330	0.5	6.3	0.3	50.1	34.5	16.3	3.3	0.3	13.4	404	39.4
LY0161	E52/4212	7284149	556208	0.3	6.7	0.3	52.1	40.7	16.6	4.8	0.2	13.7	401	67.2
LY0162	E52/4212	7283815	556515	0.6	7.3	0.3	60.1	47.3	20.3	5.5	0.3	13.6	462	61.1
LY0163	E52/4212	7283603	558732	0.8	5.7	0.3	61.0	30.6	19.9	3.0	0.3	18.3	382	37.1
LY0164	E52/4212	7283528	558837	0.7	6.0	0.3	62.4	30.8	18.8	3.3	0.3	17.6	376	39.5
LY0171	E52/4212	7283474	563047	0.5	4.9	0.3	57.8	27.2	21.4	3.4	0.3	16.1	422	44.2
LY0176	E52/4212	7283438	564279	0.6	6.5	0.3	53.1	38.1	18.1	4.1	0.4	11.5	417	42.7
LY0181	E52/4212	7283195	565726	0.6	6.9	0.3	54.9	38.0	19.6	4.2	0.3	13.5	424	49.9
LY0184	E52/4212	7283536	567415	0.6	6.5	0.3	51.2	35.3	14.5	4.4	0.2	10.8	396	39.7
LY0186	E52/4212	7284008	566724	1.1	7.3	0.4	73.2	39.5	25.2	4.6	0.2	14.2	381	52.4
LY0191	E52/4212	7285163	563913	0.8	6.0	0.3	53.6	40.4	19.8	3.7	0.2	12.4	379	44.5
LY0192	E52/4212	7285263	563666	0.6	6.3	0.3	54.4	36.3	18.7	4.1	0.2	12.5	400	47.0
LY0194	E52/4212	7285256	562540	0.6	5.2	0.3	51.3	26.9	15.7	2.1	0.3	15.7	356	31.6
LY0195	E52/4212	7285523	561808	0.7	5.4	0.3	56.4	28.9	18.1	2.7	0.3	14.2	340	36.2
LY0196	E52/4212	7285704	561570	0.6	5.1	0.3	58.8	27.8	18.3	2.8	0.2	12.1	374	35.6
LY0199	E52/4212	7286034	560668	0.6	5.1	0.3	51.1	26.4	20.5	2.3	0.2	12.4	376	34.5
LY0200	E52/4212	7286256	559584	0.4	4.0	0.3	57.2	24.7	22.9	2.1	0.2	12.7	393	35.5
LY0215	E52/4212	7286283	558853	0.5	5.8	0.3	55.7	33.3	21.3	3.6	0.3	16.4	419	44.7
LY0217	E52/4212	7286283	556777	0.3	6.2	0.3	67.7	35.4	28.1	4.2	0.2	12.2	418	49.0
LY0218	E52/4212	7286350	556374	0.4	6.1	0.3	53.6	33.5	19.4	4.2	0.3	12.3	419	47.7
LY0219	E52/4212	7286185	556065	0.9	5.9	0.3	52.6	31.3	19.6	3.6	0.3	10.5	415	39.9
LY0220	E52/4212	7286172	555769	0.5	6.0	0.3	53.8	33.9	18.0	2.8	0.2	10.9	385	38.8

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Stream and Rock Chip Sampling. First pass reconnaissance geochemical sampling commenced at the Lyons Project . A total of 219 stream sediment samples and 6 rock chip samples were collected.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Stream sediment samples were collected at a density of between 1 sample per 3 to 5km ² of catchment area. Field duplicate samples were collected at a rate of 2 in 100 and standards inserted at a rate of 3 per 100 samples.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.</i>	All surface geochemical samples were sieved to - 75µm in the field and were submitted to Intertek laboratories in Perth for gold and multi-element analyses utilizing aqua regia digest.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Brief geological notes were collected by the sampler during surface stream sample collection.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging is qualitative with colour, lithology, and regolith noted. Site photos were collected during sampling.
	<i>The total length and percentage of the relevant intersections logged.</i>	A descriptive log was collected for each sample location.
Sub-sampling techniques and sample preparation	<i>For all sample types, the nature, quality, and appropriateness of the sample preparation technique.</i>	All stream samples were screened on site to - 75µm before packaging and submitting to the laboratory.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Duplicate samples were collected at the rate of 2 per 100 samples.

Criteria	JORC Code explanation	Commentary
	<i>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Appropriate sampling protocols were used during stream sediment sampling.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Sample sizes are appropriate and the size fraction is suitable for detection of mineralisation as well as being efficient for first pass reconnaissance sampling. Approximately 20g of sample was collected at each location.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Samples were sent for analysis to the Intertek laboratory in Perth (a commercial accredited independent laboratory). All stream samples will be analysed for 53 elements by the partial digest method: Triple Quad Aqua Regia ICP-MS. The elements and analytical technique were selected by the company's consulting geochemist as appropriate for the Lyons Project.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	No handheld instruments were used for sample analysis.
	<i>Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.</i>	Field duplicate samples and standards were submitted with each sample batch as previously stated.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	All data was checked internally by senior staff.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Field data is collected using tablets and handheld GPS. Data is downloaded daily to excel spreadsheets and validated. GPS data recorded the sample location and was uploaded to the Company database software ready to merge with assay data, upon receipt from the lab.
	<i>Discuss any adjustment to assay data.</i>	No adjustments were made to assay data.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	All geochemical surface sample positions were located with a handheld GPS ($\pm 3m$).
	<i>Specification of the grid system used.</i>	All co-ordinates collected are in GDA94 – MGA Zone 50S.
	<i>Quality and adequacy of topographic control.</i>	Handheld GPS ($\pm 3m$).

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Stream samples were planned off detailed topography and satellite images in the best tributary sites for the catchment area. At the time of collection, collection points were moved up to 50m to the most suitable site and recorded.
	<i>Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	Data distribution is considered to be sufficient for first pass reconnaissance surface geochemical sampling.
	<i>Whether sample compositing has been applied.</i>	No sample compositing has been applied.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Stream sediment samples were collected at a density of between 1 sample per 3 to 5km ² of catchment area. This is considered appropriate for first pass surface geochemical sampling.
Sample security	<i>The measures taken to ensure sample security.</i>	Samples were stored on site, until delivery to Perth laboratories by staff (in person). Sample submission forms were provided to the laboratory for the sample batch.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No external audits on sampling techniques and data have been completed. A review of QAQC data was carried out by company geologists.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The Lyons Project is located on granted tenements E09/2671, E52/4040 (50% Sammy Resources Pty Ltd 50% Murchison Rare Earth Pty Ltd) and E52/4212 (100% Sammy Resources Pty Ltd). Sammy Resources Pty Ltd is a wholly owned subsidiary of Cazaly Resources Ltd.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	The Lyons Project area has seen exploration for base metals, gold, and limited uranium since the 1960s. Amoco, CRAE and Pacminex explored during the mid 1970's in the area for base metals conducting stream sediment sampling, soil sampling and airborne geophysics. Geopeko flew aeromagnetics over the project in 1982-84 and drilled 6 RC holes on mag features. The holes intersected magnetic pisolite and <10cm micro gossans but no significant mineralisation.

Criteria	JORC Code explanation	Commentary
		<p>Western Mining Corporation completed base metal exploration in 1992-94 integrating airphoto analysis, geological mapping, aeromag and ground mag surveys, TEM and gravity surveys, rock chip and lag sample programs. 16 RC drill holes were completed intersecting dolerite sills, and conductive shales which explained anomalies. Two holes had anomalous results from the Billy can target including 84m @ 1740ppm Zn and 170ppm Cu. Other weakly anomalous lag sample results were also reported from the area.</p> <p>In 2014 Explaurum Limited conducted limited exploration for base metals Abra style mineralisation.</p> <p>Cosmopolitan Minerals Ltd worked parts of the area in 2016 collecting rock chip samples and completing regional desktop studies.</p>
Geology	<i>Deposit type, geological setting, and style of mineralisation.</i>	<p>The project area is situated on Edmund Group Lithologies in the central part of the Bangemall Basin. The basin is 530km long and 200km wide made up of siliclastic and carbonate sediments of a Mesoproterozoic age deposited in an intracratonic basin over a period of 1 billion years. The two groups have been intruded by dolerite sills and dykes. The main structural features controlling sediment deposition are mantle tapping faults active during deposition of the Edmund and Collier Group sediments at the craton margins, in particular the NW-SE trending Lyons River Fault. The Abra mineral occurrence is located on the western end of the E-W striking Jillawarra mineralised belt and is dated at 1610-1590 Ma. Mineralisation occurs at the top of the Irregularly Formation of the Edmund Group.</p> <p>Approximately 100km to the west of the Lyons Project Dreadnought Resources have discovered REE carbonatite intrusions. These are documented to be mineralised ironstones in outcrop which transition into ferrocyanatite dykes at depth.</p>
Data aggregation methods	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <p><i>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	No adjustments were made to assay data.

Criteria	JORC Code explanation	Commentary
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to the body of this report.
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	The report is considered balanced and provided in context.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All meaningful and material information pertaining to this report has been included in the body of this announcement.
Further work	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Ongoing assessment of geophysical data sets, in conjunction with results of this first pass geochemical surface sampling, will be conducted to plan future work programs.