

Quarterly Activities Report for December 2023

Highlights

- The Company received funds totalling \$3.3M via a \$2.1M share placement and partial proceeds from the sale of its shareholding in Equinox Resources Ltd
- Proceeds from the balance of the sale of Equinox shares of \$1.07M received in early January '24
- Inaugural field work completed at:
 - Sundown lithium project in James Bay, Québec, Canada
 - Lyons REE project in the Gascoyne Province, Western Australia
- Exploration planning and logistics continued for all other projects
- The Company continues to review new opportunities

Cazaly Resources Limited (ASX: CAZ, "Cazaly" or the "Company") is pleased to submit this activities report for the December 2023 quarter, in which the Company increased its cash reserves to \$4.9M via a capital raising and monetising its shareholding in Equinox Resources Ltd. The Company also progressed on ground exploration activities and completed the very first critical minerals exploration field programs at the Sundown lithium project in Québec, Canada, and the Lyons REE project in the Gascoyne Province, Western Australia.

PROJECTS – CANADA

SUNDOWN LITHIUM PROJECT (CAZ 25%, IMINERALS 75%)

The Sundown lithium project lies in the world-class James Bay Lithium Province, host to several advanced lithium projects and new lithium discoveries in Canada and comprises 510 mining claims covering pegmatite outcrops spanning over 260km² (Figure 1 & Figure 2).

The large tenement holding is strategically positioned between Allkem Ltd's (ASX: AKE) James Bay deposit with a lithium resource of 110.2Mt @ 1.30% Li₂O and Patriot Battery Metals (ASX: PMT) Corvette deposit with a lithium resource of 109.2Mt at 1.42% Li₂O within a 214km² land package.

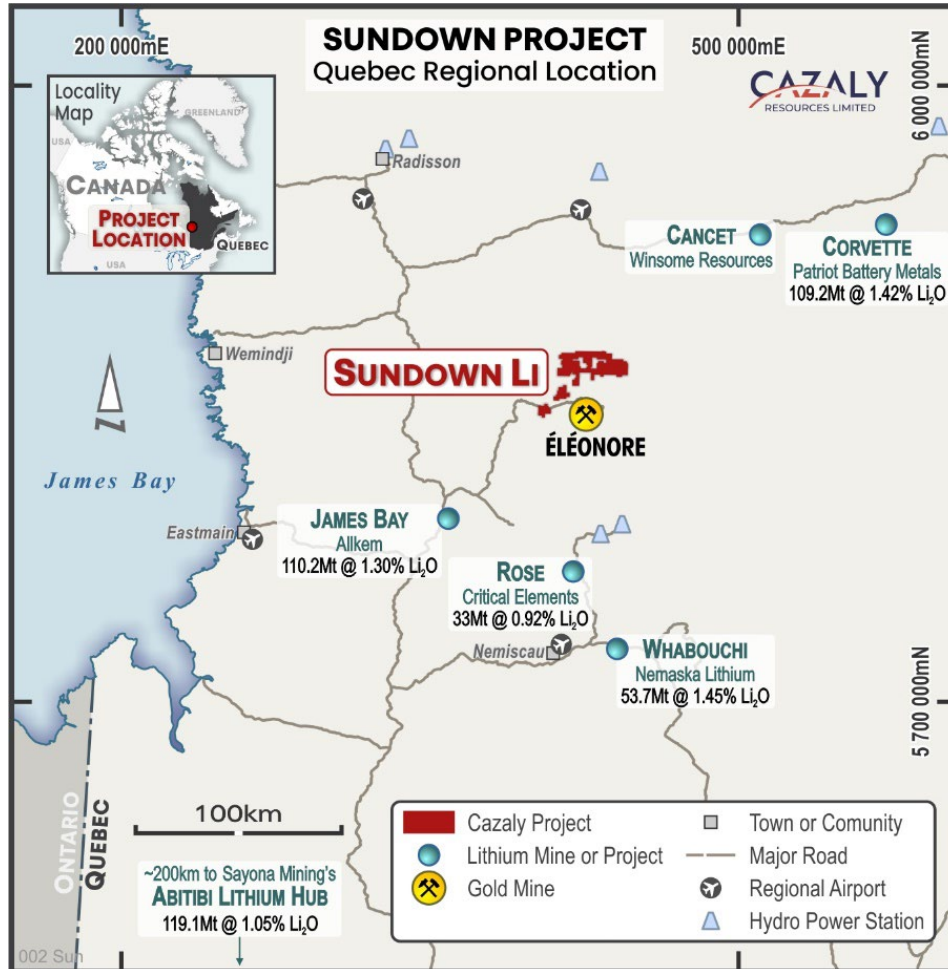


Figure 1. Location of the Sundown Lithium Project and significant lithium resources in the James Bay District.

During the December '23 quarter, the Company undertook its initial lithium exploration campaign. Analytical results were received for three hundred and four (304) samples collected at discrete locations across the project area (Figure 2). Several ratios were examined to determine fractionation: $Rb/Sr < 8$, $Nb/Ta < 8$ and Mg/Li ratios < 10 confirmed that the pegmatitic granites of the Gladman suite are fertile¹ and highlighted several areas, mostly in the north and west, with well constrained anomalies that are open along strike. While the total sample coverage is sparse, it provides the first geochemical classification for the rock units sampled in the project area and can now be used to start the vectoring process towards areas with the highest potential to host LCT pegmatites.

For further technical disclosures and references please refer to Cazaly announcements dated 31 May, 1 June, 7 August, 15 August, 4 September, 22 September, 18 October, 10 November 2023, and 19 January 2024.

¹ Selway *et al.*, 2005. A review of Rare-Element (Li-Cs-Ta) Pegmatite Exploration Techniques for the Superior Province, Canada, and Large Worldwide Tantalum Deposits. *Exploration and Mining Geology*, Vol. 14, No 1-4, pp 1-30.

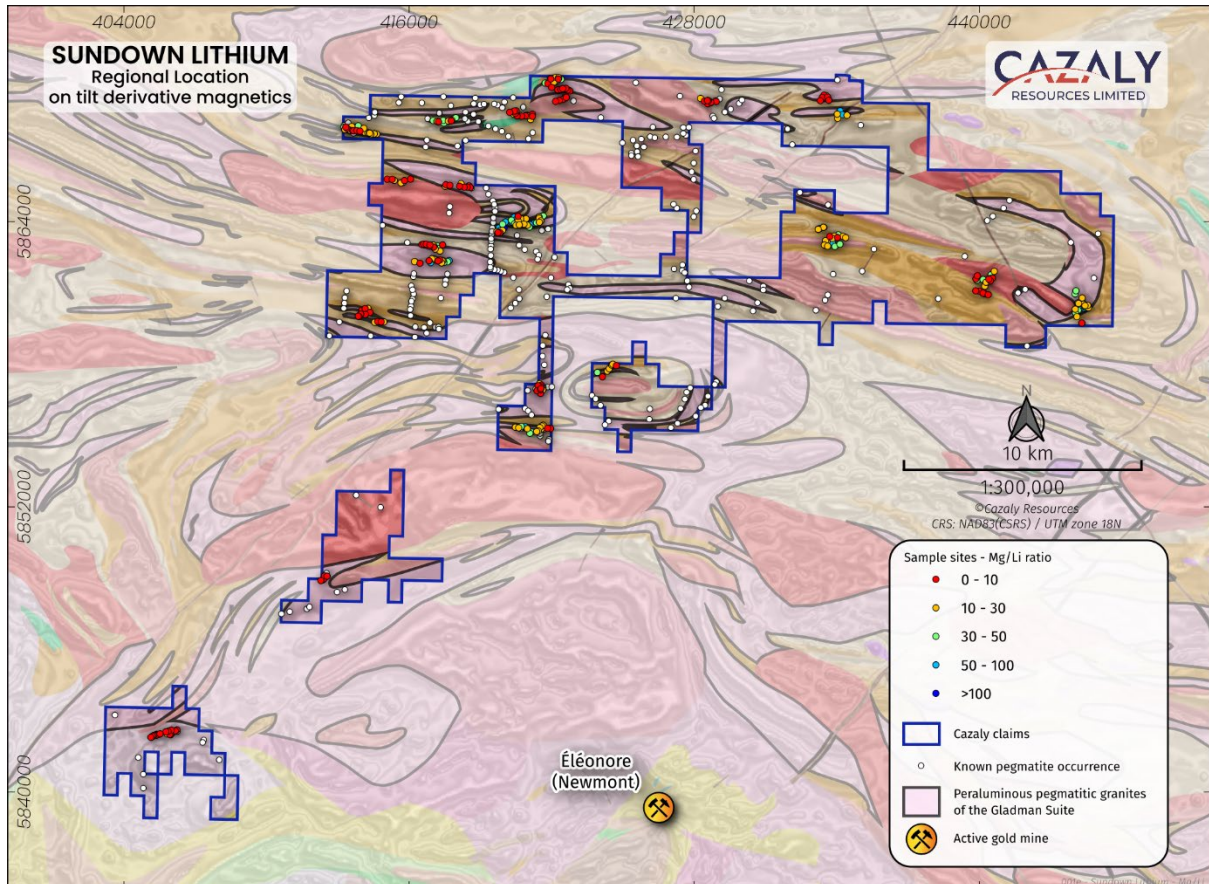


Figure 2. Results of initial rock chip sampling: Mg/Li ratios confirm fertile granites.

CARB LAKE CARBONATITE – RARE EARTH ELEMENTS PROJECT (CAZ 100%)

The Carb Lake rare earth elements (REE) project is located in the Red Lake District of Ontario, Canada (Figure 3), a well-known mining province comprising 93 mineral claims covering a very large +3km diameter carbonatite complex.

During the previous quarter modelling of aeromagnetic data indicates the footprint of the carbonatite complex exceeds 3.2km by 3.7km and is globally significant (Table 1). Handheld pXRF results on remaining historical drill core validated the potential for the Carb Lake carbonatite to host economic REE and Nb mineralisation; and the initial field reconnaissance



Figure 3. Location of the Carb Lake REE project, Ontario, Canada.

exploration program was completed that consisted of mapping, prospecting and traversing the entire span of the large carbonatite complex.

During the December '23 quarter analytical results were received for the surface float samples of carbonatite collected across the property (refer CAZ Announcement 10 November 2023).

The majority of carbonatite float samples returned highly anomalous REE, Sr, and Nb (Figure 4). The best grab samples include 2479ppm TREO, with NdPr comprising up to 22% of the TREO; and 2084ppm TREO, with NdPr up to 25% of the TREO.

The results provide further support that the large Carb Lake carbonatite complex is potentially well enriched in rare earth and niobium elements and could host significant resources.

Table 1. Carbonatite size comparison with other REE carbonatite complexes.

Carbonatite Complex	Location	Diameter (km)	Stage
Araxa	Brazil	5	Producing
Carb Lake	Canada	+3	Exploration
Mount Weld	Australia	3	Producing
Pachpadra	Australia	Ellipse 3x1	Exploration
Nechalacho	Canada	2	Producing
Kangankunde	Malawi	0.8	Development

Cautionary Statement

The table above is presented to illustrate only the size of carbonatite complexes around the world. It should not be considered a comparison of company or project, a number of the projects in the table above are in development or production. The Carb Lake carbonatite is in the early exploration stage and there is no certainty that further exploration work will result in determination of an economic mineral resource.

The Company continues to progress discussions with Sachigo First Nations with a view to establish a Memorandum of Understanding (MoU) for drilling activities at Carb Lake and future exploration programs. Field logistics planning continues and negotiations are underway with several drilling companies.

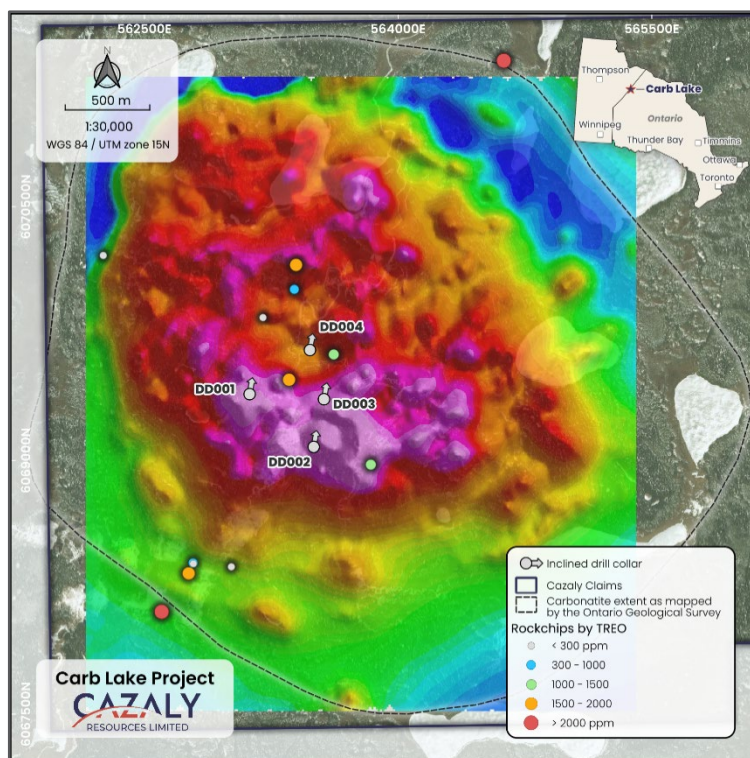


Figure 4. TREO results from surface float samples.

Once the MoU is established and government approvals are in place drilling will be designed to provide better characterisation of the distribution of REE and Niobium mineralisation and will inform the next phase of targeted drilling across the carbonatite complex (Figure 5).

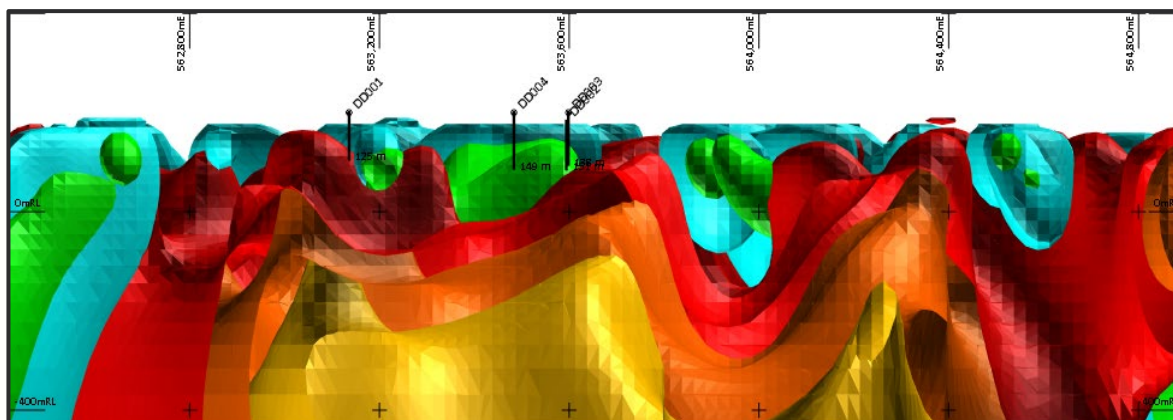


Figure 5. Cross section looking north shows the variation in intensity (low = blue, high = red) of the magnetics modelled across the carbonatite complex and the location of historical drilling.

Background

The project area is located in north-western Ontario, 10km from the Manitoba border. The Project hosts a mid-Proterozoic aged carbonatite which intruded a suite of tonalites within the Northern Superior Superterrane which represents the northernmost exposure of Archaean Rocks in Ontario. The project is located between two major tectonic terrane boundaries along the North Kenyon Fault, a significant crustal scale fault providing ideal plumbing for mantle derived magma to intrude through to the upper crust.

Very little historical exploration has been completed on the Carb Lake carbonatite. Four diamond holes (DD001-DD004, Figure 4 & Figure 5) were drilled at Carb Lake in 1967 for a total of 564m. The drill core provided data for geochemical studies, completed by the Ontario Department of Mines, Geological Survey in the late 1960s and early 1970s, with much of the diamond core consumed for these studies. The best results reported were from DD004, drilled into the centre of the carbonatite complex in an area of low magnetic intensity (Figure 4 & Figure 5), with two samples reporting **>5% Ce and >1% La**. One sample reported a value of **7.1% Nb**. The best pXRF results from recent studies on historical drill core include **Nb 0.6%; La 3.36%; Ce 4.34%; Pr 0.42%; Nd 1.49%**.

Cautionary Statement

The historical exploration results reported have been sourced from public reports and are not reported in accordance with the JORC Code. The historical information is an accurate representation of the available data for the project that has been sourced to date. The pXRF exploration results reported herein have been collected by the Company on historical core samples and are not equivalent to analytical laboratory results. The use of spot pXRF readings only provides an indication of the potential order of magnitude of analytical laboratory assay results. The downhole location of pXRF results collected cannot be relied upon for actual location due to the incomplete nature of the remaining historical drill core.

PROJECTS - AUSTRALIA

LYONS RARE EARTH ELEMENTS PROJECT

On 2 August 2023, the Company announced that it had secured over 1,000km² of tenure within the emerging REE district of the Gascoyne Province in Western Australia.

Initial surface sampling was completed during the December '23 quarter and positive assays were returned highlighting several geochemical anomalies (Figure 6) worthy of further investigation. 212 stream sediment samples were collected across three target areas (A1-A3) to test the potential for REE and base metal mineralisation. The most promising geochemical anomalies were identified at Target A3. Follow up work will be planned to determine the veracity of these REE and Nb anomalies.

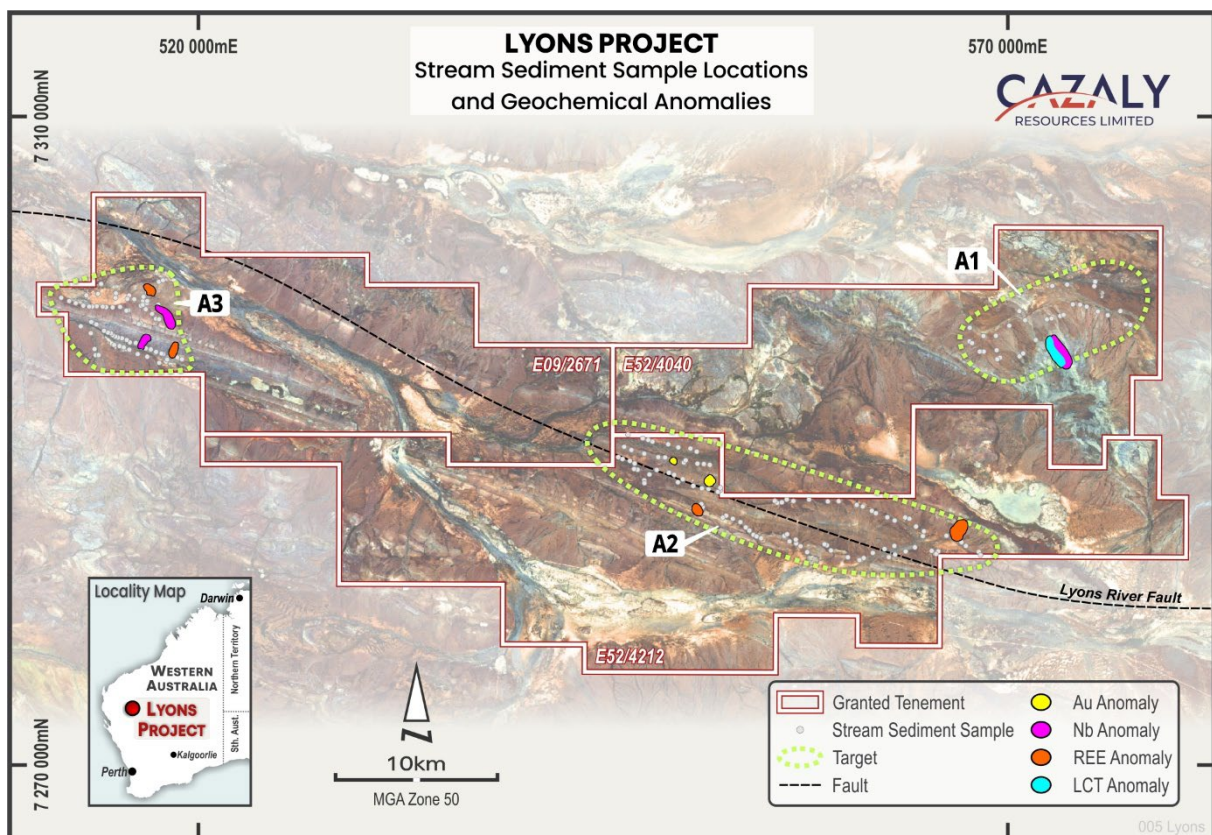


Figure 6. Surface geochemical anomalies identified at the Lyons Project.

Background

The Lyons project tenements were targeted by Cazaly around the Lyons River Fault and Talga Fault. Two (E09/2671 and E52/4040) of the four tenements comprising the Lyons Project (Figure 7) were acquired via an exclusive binding option agreement to acquire up to 100% with private company Murchison REE Pty Ltd. The terms of the agreement are detailed in the announcement dated 2 August 2023.

The Lyons River Fault and Talga Fault represent major crustal sutures in the central part of the Gascoyne Province which provided a suitable plumbing system for the transportation of mineralised fluids. The Yangibana (Hastings Technology Metals Ltd) and Yin (Dreadnought

Resources Ltd) REE deposits are located along cross cutting ferrocarbonatites structures adjacent to the Lyons River Fault. The Abra base metal deposit is associated with splays off the Lyons River Fault.

The Edmund Group consists of a package of Proterozoic sediments within the Gascoyne Province. The sediments are mostly siliciclastic and carbonate sediments deformed and metamorphosed during multiple orogenic events, that gave rise to significant magmatic activity resulting in the emplacement of gabbroic to granitic stocks and carbonatite intrusions across the district. Dreadnought Resources have previously reported multiple mineralised carbonatites within the Edmund Group in close proximity to the Lyons River Fault (DRE announcement dated 25 July 2022).

The Gascoyne region is highly prospective for REE as well as base metals. Hastings Technology Metals Ltd (ASX: HAS) and Dreadnought Resources Ltd (ASX: DRE) REE projects are located approximately 100km northwest from Cazaly's tenement package along the Lyons River Fault (Figure 7).

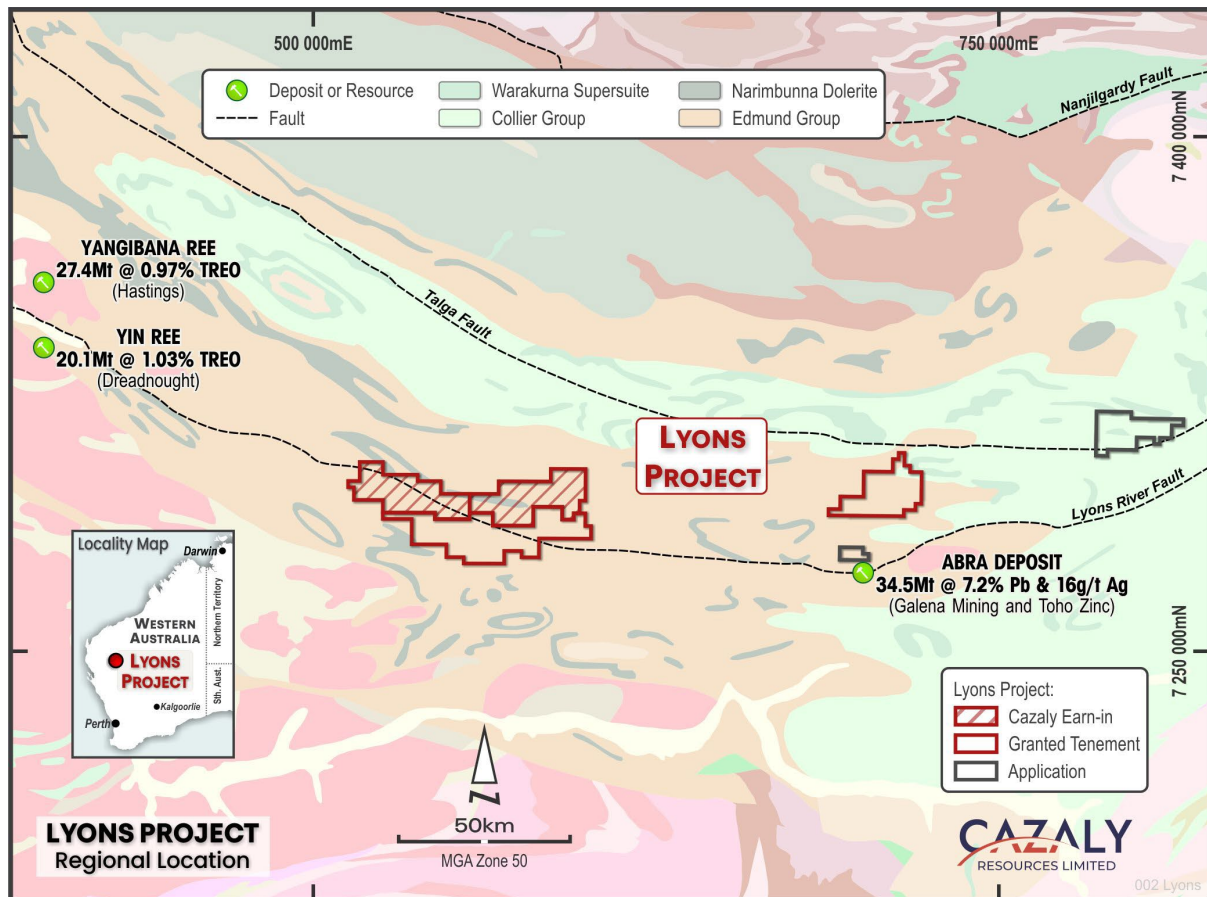


Figure 7. Lyons REE and base metal project location within the Gascoyne Province.

HAS is currently advancing construction of Yangibana which will produce a mixed rare earth carbonate, rich in Neodymium (Nd) and Praseodymium (Pr). The project has an NPV of \$466 million, a 15-year mine life and current JORC resource of 27.4Mt @ 0.97% Total Rare Earths Oxides (TREO) (ASX: HAS announcement 5 May 2021). Yangibana is under construction and development with first production planned for 2024 (ASX: HAS announcement 7 June 2022).

DRE recently announced an updated resource for the Yin REE Ironstone Complex of 20.06Mt grading at 1.03% TREO. The resource covered only 4km, or ~10%, of the 43km long Yin REE Ironstone Complex (DRE announcement 5 July 2023).

In addition, the Gascoyne region hosts the Abra Base Metals Mine, a lead-silver joint venture mining operation (60%: Galena Mining Ltd and 40%: Toho Zinc Co., Ltd) which lies adjacent to the Lyons Project tenement package. The Abra Mine, which has a JORC resource of 34.5Mt grading at 7.2% lead and 16g/t silver, produced first concentrate (ASX: G1A announcement dated 13 January 2023) and achieved its first concentrate shipment (ASX: G1A announcement dated 27 March 2023) from the port of Geraldton in early 2023.

HALLS CREEK COPPER PROJECT (CAZ 100%)

Cazaly continues to explore corporate opportunities to advance its assets at Halls Creek.

The Halls Creek Copper, Zinc and Silver project (CAZ 100%) is situated 25km southwest of Halls Creek and covers part of the Halls Creek Mobile Zone which is highly prospective for a range of commodities including copper, gold and nickel. The project includes the Mount Angelo North volcanogenic massive sulphide (VMS) copper-zinc-silver deposit and the Bommie porphyry copper deposit (Figure 8).

During the June '23 quarter Cazaly received positive scoping study results from AuKing Mining Limited's Koongie Park copper-zinc project which included mineralisation from the Company's 100%-owned Halls Creek and Bommie copper deposits²(Figure 8). In late 2022, Cazaly executed a Memorandum of Understanding (MoU) with AuKing to include the Halls Creek project into the study.

The AuKing study assesses four deposits, including the mineral resources at the Company's Mt Angelo North (1.72Mt @ 1.4% Cu, 1.4% Zn and 12.3g/t Ag) and Bommie (MRE: 95.6Mt @ 0.27% Cu) deposits.

The AuKing scoping study confirms the potential for a financially robust, globally competitive operation with life-of-mine of 11 years with an estimated total production of 110kt Cu, 38kt Zn and 355koz Ag.

² See ASX Announcement dated: 1 June 2023

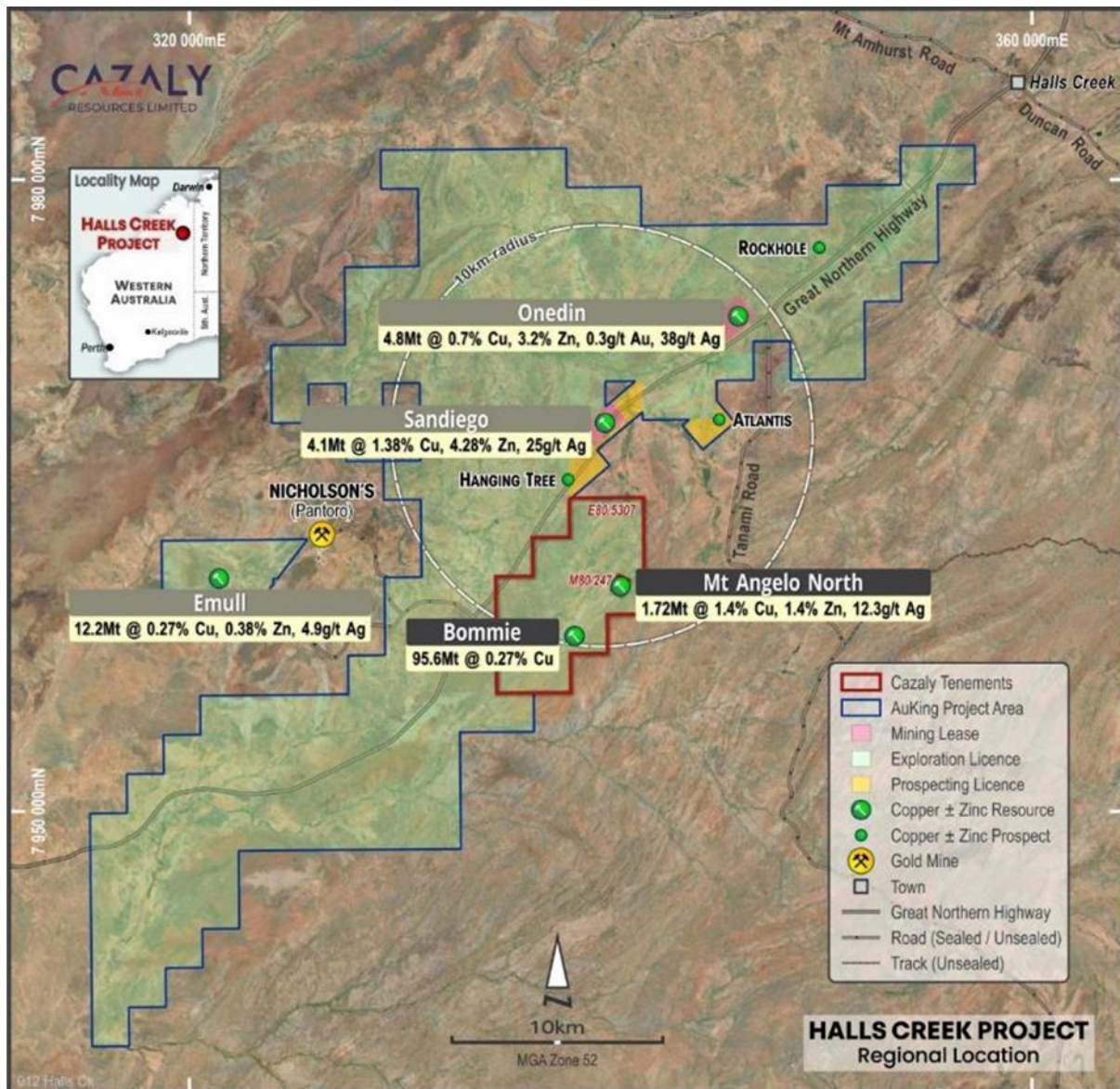


Figure 8. Lyons REE and base metal project location within the Gascoyne Province.

The full scoping study results are included in Cazaly's ASX announcement titled: "AuKing Completes Scoping Study on Halls Creek Copper Project" dated 1 June 2023.

ASHBURTON BASIN REE, GOLD AND BASE METALS PROJECT (CAZ 100%)

Cazaly's Ashburton project spans 2,450km² in the Ashburton Basin, in the Pilbara region of Western Australia (Figure 9). The Ashburton Basin forms the northern part of the Capricorn Orogen, a ~1,000km long, 500km wide region of variably deformed metamorphosed igneous and sedimentary rocks located between the Yilgarn and Pilbara cratons.

The Ashburton project covers major regional structures considered to be highly prospective for gold, base metals and REE mineralisation. The project area presents an excellent

opportunity for discovery of large mineralised systems along the major regional scale structures, which to date have seen very little modern exploration.

Exploration activities conducted by Cazaly to date have identified 4 regional scale mineralised trends (Figure 9) up to 70km long that coincide with several mantle tapping structures required for the development of large-scale mineralised systems. In addition to this regional scale targeting, several prospect scale targets, up to 10km long, have been identified across the project area.

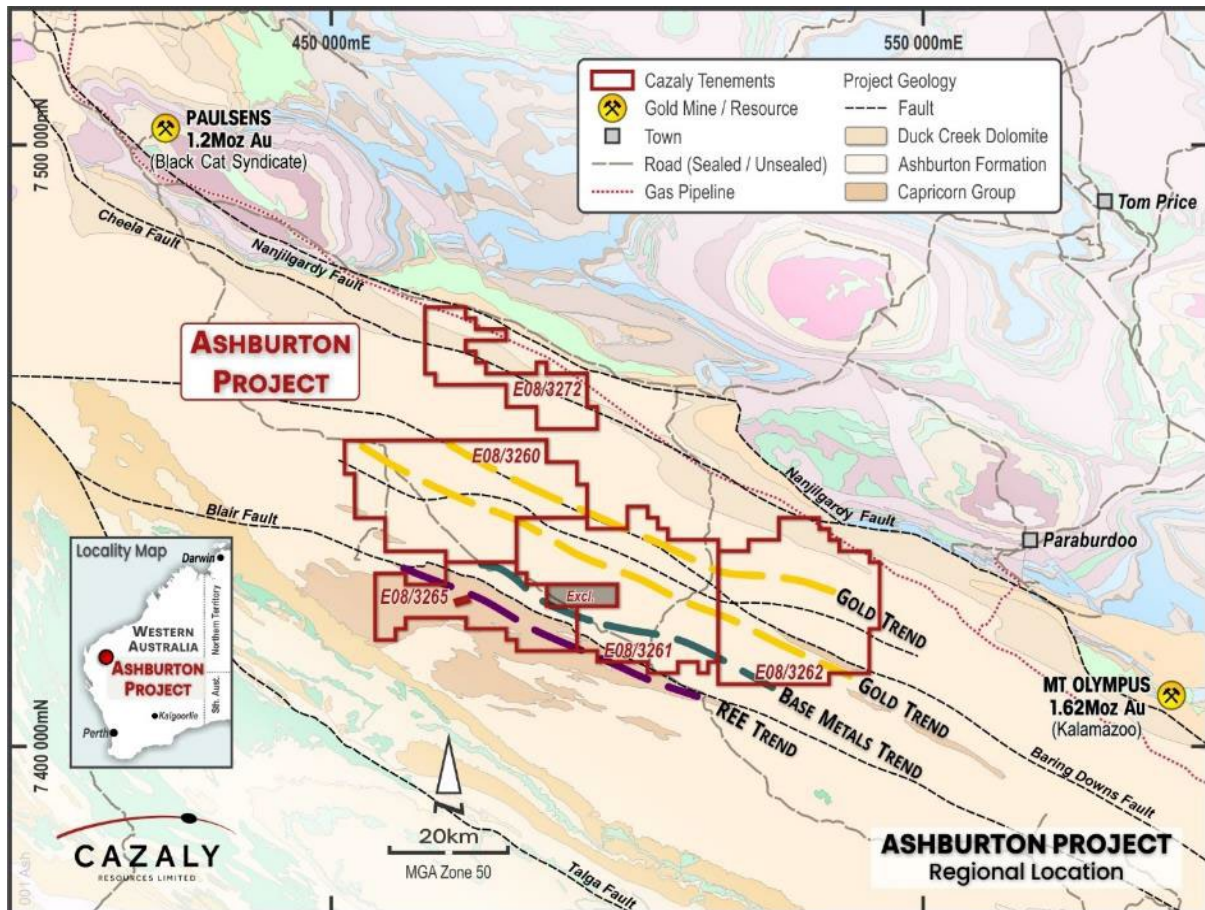


Figure 9. Location of the Ashburton project with regional scale mineralised trends with +1Moz gold deposits along strike.

PROJECTS – NAMIBIA

ABENAB RARE EARTH ELEMENTS & BASE METALS PROJECT (CAZ 95%)

The application for a new exploration licence (EPL 9110 – Abenab North) remains pending approval. The project is located in the northern region of Namibia (Figure 10) The application has no competing claims and covers an area of approximately 790 km². The project is considered highly prospective for base metals and REE mineralisation as evidenced from the results of previous but limited exploration.

The project lies in the Otavi Mountain Land region of northern Namibia located approximately 450km by road from the capital of Windhoek in an area supported by the towns of Tsumeb and Grootfontein. The region is a



Figure 10. Location of Namibian Critical Mineral Projects.

significant well mineralised base metals province with historic production from several mines including Tsumeb, Kombat, Abenab and the Berg Aukas mines. Tsumeb is a world-famous Cu-Pb-Zn-Ag-Ge-Cd mine renowned for its wealth of rare and unusual minerals and was mined from 1897 to 1996.

KAOKO LITHIUM PROJECT (CAZ 95%)

The Kaoko lithium project is located in northern Namibia, approximately 800km by road from the capital of Windhoek and approximately 750km from the port of Walvis Bay (Figure 10). A large lithium in soil anomaly at the Ohevanga Prospect measures 12km x 10km. The anomaly was defined with broadly spaced surface samples collected across a 1km grid and has been followed up with infill surface sampling to better define and confirm the target. During the December '23 quarter the exploration licence was renewed for a period of two years, and 3,000m of drilling is planned to test the large lithium anomaly at Ohevanga (refer to ASX announcement dated 13 November 2023).

The Company continues to work with their in-country team to progress the required approvals for drilling anticipated to commence in late Q1 to early Q2 2024 following relevant clearances and approvals, and the wet seasons rains.

JOINT VENTURE PROJECTS

Mt Venn (CAZ 20%, WML 80%)

In the September '23 quarter a heritage survey was successfully completed at the Mount Venn JV project managed by Woomera Mining Ltd (CAZ 20%, WML 80%). WML intend to drill four EM conductors at the Mt Cornell prospect and is working towards finalizing additional geophysical surveys and subsequent drill hole design.

The Mt Venn Gold project is located 125km northeast of Laverton in the North-eastern Goldfields Region of Western Australia and covers approximately 400km² of prospective greenstone sequence. The project area lies within the Mount Venn-Yamarna-Dorothy Hills greenstone belt which is the most easterly major N-S striking greenstone belt of the Yilgarn Craton.

The belt is considered highly prospective for gold and nickel and is positioned along the western limb of the Yamarna Greenstone Belt that hosts Gold Road's and Gold Fields' 6Moz Gruyere Gold Mine. Together, the Yilgarn greenstone belts account for 30% of the world's gold reserves, most of Australia's nickel production and other base metal and rare earth deposits.

Cazaly is free carried to pre-feasibility study stage.

McKenzie Springs (CAZ 30%, FIN 70%)

Sammy Resources Pty Ltd (a wholly owned subsidiary of Cazaly) is in joint venture (CAZ 30%, FIN 70%) with Fin Resources Ltd (ASX: FIN) over exploration licence E80/4808, the McKenzie Springs Project, located in the Kimberley region of Western Australia. The project lies south along strike from the Savannah nickel-copper-cobalt mine owned by Panoramic Resources Ltd (ASX: PAN).

During the quarter a field assessment of target areas at the project was conducted by FIN (as JV Manager). The field assessment was conducted in order to finalise exploration plans over the Spring Creek intrusive complex. Core Geophysics have been engaged to re-evaluate the geophysical survey data on the Project.

ROYALTY PROJECTS

Mineral Resources Limited (ASX: MIN) continued production activities at the *Parker Range Iron Ore Mine*. Cazaly, as the royalty holder, is entitled to receive A\$0.50/tonne of iron ore produced from the mine, once the first 10 million tonnes of production have been reached.

Following the sale of the *Hamersley iron ore project*, the Company held 15M shares in Equinox Resources Limited (ASX: EQN). These were recently sold for net proceeds of \$2.145M. The Company retains a royalty interest of US\$0.30/tonne in the project. The project is located in the heart of the Pilbara iron ore province and currently has a total Mineral Resource estimate of **343.2 Mt at 54.5% Fe** (*reported in compliance with JORC Code 2012 - refer to Pathfinder's ASX Announcement dated 24 January 2020*). Equinox continues to advance feasibility studies to progress the development planning of the Project.

CORPORATE

Placement

The Company announced an oversubscribed placement on 27 November 2023 to raise gross proceeds of \$2.09M. A total of 69,633,333 fully paid ordinary shares were to be issued under ASX Listing Rules 7.1 and 7.1A.

Financial Summary (Appendix 5B)

For the quarter ending 31 December 2023, the Company's net cash outgoings (per item 1.9 + 2.6) were \$161k. This included \$767k of direct costs associated with field exploration activities (per item 2.1(d)) including geological reconnaissance field trips, data acquisition, geochemical surface sampling and assaying, and other activities as reported in the Projects section above. Payments to related parties and their associates include directors' fees of \$59k apportioned to corporate activities (per item 6.1), and \$79k apportioned to exploration activities (per item 6.2). As of 31 December 2023, the Company had \$4.9M in cash (per item 4.6). This is inclusive of partial proceeds (\$1.1M) from the sale of 15 million shares in Equinox Resources Ltd (ASX: EQN). The remaining proceeds of \$1.065M were received in early January '24.

The Company had cash and investments of approximately \$7.2 million on 31 December 2023.

The Cazaly Board authorises the release of this December '23 Quarterly Activities Report and the Appendix 5B dated 25 January 2024.

ENDS

For and on behalf of the Cazaly Board

For further information please contact:

Tara French (Managing Director) / Mike Robbins (Company Secretary)

Cazaly Resources Limited ABN 23 101 049 334

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Previously Reported Information

The information in this report that relates to Resource Estimates, Exploration targets and Exploration results is extracted from previous company announcements to the ASX, all are available to view on <https://www.cazalyresources.com.au>. For the purposes of ASX Listing Rule 5.23 the Company confirms that it is not aware of any new Exploration information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Competent Persons Statement

The information contained herein that relates to Exploration Results is based upon information compiled or 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'. Ms Tara French and Mr Horn both consent to the inclusion of their names in the matters based on the information in the form and context in which it appears.

(1) The information in this report that relates to the Mount Angelo North Mineral Resource is based on information compiled by Ms Vanessa O'Toole Principle Consultant of Honey Mining and Resources Pty Ltd, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Vanessa O'Toole consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

(2) The information in this report that relates to the Bommie porphyry copper mineral resource estimation is based on work completed by Mr. Stephen Hyland, a Competent Person and Fellow of the AusIMM. Mr. Hyland is Principal Consultant Geologist with Hyland Geological and Mining Consultants (HGMC), who is a Fellow of the Australian Institute of Mining and Metallurgy and holds relevant qualifications and experience as a qualified person for public reporting according to the JORC Code in Australia. Mr Hyland is also a Qualified Person under the rules and requirements of the Canadian Reporting Instrument NI43-101. Mr Hyland consents to the inclusion in this report of the information in the form and context in which it appears.

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, the 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.

INTERESTS IN MINING TENEMENTS AS AT 31 DECEMBER 2023

AUSTRALIA

Tenements Managed by the Company:

Tenement	Project Name	Entity	% Interest
E 08/3260	Ashburton	Cazaly	100
E 08/3261	Ashburton	Cazaly	100
E 08/3262	Ashburton	Cazaly	100
E 08/3265	Ashburton	Cazaly	100
E 08/3272	Ashburton	Cazaly	100
E 28/3275 *	Kurnalpi	Sammy	100
E 38/3864 *	Mt Venn	Sammy	100
E 38/3865 *	Mt Venn	Sammy	100
E 38/3904 *	Virginia Range	Cazaly	100
E 45/6385 *	Marble Bar	Sammy	100
E 45/6717 *	Yandi	Sammy	100
E 45/6719 *	Yandi	Sammy	100
E 45/6721 *	Yandi	Sammy	100
E 47/4979 *	West Pilbara	Sammy	100
E 09/2671	Lyons	Sammy	50
E 09/2941 *	Lyons	Sammy	100
E 52/4040	Lyons	Sammy	50
E 52/4212	Lyons	Sammy	100
E 52/4234	Lyons-Bangemall	Sammy	100
E 80/5307	Halls Creek	Cazaly	100
M 80/0247	Mt Angelo	Cazaly	100

*applications

Joint Venture Tenements not Managed by the Company:

Tenement	Project Name	Entity	% Interest
E 80/4808	McKenzie Springs	Sammy	30
E 38/3111	Mt Venn	Cazaly	20
E 38/3150	Mt Venn	Cazaly	20
E 38/3581	Mt Venn	Cazaly	20
E 09/2346	Errabiddy	Sammy	20
E 31/1019	Yilgangi	Cazaly	10
E 31/1020	Yilgangi	Cazaly	10
M 31/0427	Yilgangi	Cazaly	10

NAMIBIA

Tenement	Project Name	Entity	% Interest
EPL 6667	Kaako	Philco 173	95
EPL 9110 *	Abenab North	Philco 173	95

*application

CANADA

Claim Nos.	Project Name	Entity	% Interest
688637	Carb Lake	Mulga Minerals	100
688626	Carb Lake	Mulga Minerals	100
688571-688624	Carb Lake	Mulga Minerals	100
688532-688568	Carb Lake	Mulga Minerals	100

Claim Nos.	Project Name	Entity	% Interest
CDC2692045	Sundown	Mulga Minerals	25
CDC2692770 - CDC2692787	Sundown	Mulga Minerals	25
CDC2692815 - CDC2692823	Sundown	Mulga Minerals	25
CDC2692844 - CDC2692848	Sundown	Mulga Minerals	25
CDC2692852 - CDC2692856	Sundown	Mulga Minerals	25
CDC2692859 - CDC2692877	Sundown	Mulga Minerals	25
CDC2692879 - CDC2692895	Sundown	Mulga Minerals	25
CDC2694070 - CDC2694105	Sundown	Mulga Minerals	25
CDC2694124 - CDC2694125	Sundown	Mulga Minerals	25
CDC2694127 - CDC2694159	Sundown	Mulga Minerals	25
CDC2694805 - CDC2694810	Sundown	Mulga Minerals	25
CDC2702917 - CDC2706250	Sundown	Mulga Minerals	25
CDC2706265 - CDC2706281	Sundown	Mulga Minerals	25
CDC2706322 - CDC2706338	Sundown	Mulga Minerals	25
CDC2706489 - CDC2706503	Sundown	Mulga Minerals	25
CDC2712582 - CDC2712583	Sundown	Mulga Minerals	25
CDC2712591 - CDC2712594	Sundown	Mulga Minerals	25
CDC2714462 - CDC2714465	Sundown	Mulga Minerals	25
CDC2715879 - CDC2715880	Sundown	Mulga Minerals	25
CDC2719108 - CDC2719124	Sundown	Mulga Minerals	25
CDC2723400 - CDC2723414	Sundown	Mulga Minerals	25
CDC2728079 - CDC2728094	Sundown	Mulga Minerals	25
CDC2745317	Sundown	Mulga Minerals	25

Claim Nos.	Project Name	Entity	% Interest
CDC2745988 - CDC2746004	Sundown	Mulga Minerals	25
CDC2755227 - CDC2755282	Sundown	Mulga Minerals	25
CDC2755296 - CDC2755311	Sundown	Mulga Minerals	25
CDC2755573 - CDC2755584	Sundown	Mulga Minerals	25
CDC2756049 - CDC2756082	Sundown	Mulga Minerals	25
CDC2757063 - CDC2757095	Sundown	Mulga Minerals	25
CDC2757211 - CDC2757221	Sundown	Mulga Minerals	25
CDC2757594	Sundown	Mulga Minerals	25
CDC2757683	Sundown	Mulga Minerals	25
CDC2758850 - CDC2758982	Sundown	Mulga Minerals	25
CDC2759016 - CDC2759021	Sundown	Mulga Minerals	25
CDC2760330 - CDC2760335	Sundown	Mulga Minerals	25
CDC2706279 (a)	Sundown	Mulga Minerals	25
CDC2706328 (a)	Sundown	Mulga Minerals	25
CDC2706497 (a)	Sundown	Mulga Minerals	25
CDC2706498 (a)	Sundown	Mulga Minerals	25
CDC2712593 (a)	Sundown	Mulga Minerals	25
CDC2692860 (b)	Sundown	Mulga Minerals	25
CDC2692873 (b)	Sundown	Mulga Minerals	25
CDC2694129 (b)	Sundown	Mulga Minerals	25

502 Mining Claims are held 75% by IMinerals Corp;
5 Mining Claims are held 75% by I254704 B.C. LTD (a)
3 Mining Claims are held 75% by ILife Holdings Ltd (b)

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

CAZALY RESOURCES LIMITED

ABN

23 101 049 334

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	49	51
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(19)	(72)
	(e) administration and corporate costs	(265)	(614)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	16	53
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	3	3
1.9	Net cash from / (used in) operating activities	(216)	(579)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(767)	(1,718)
	(e) investments	(39)	(260)
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	1,183	1,750
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	377	(228)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,089	2,089
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(138)	(138)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – Return of Capital	-	-
3.10	Net cash from / (used in) financing activities	1,951	1,951
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,825	3,793
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(216)	(579)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	377	(228)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,951	1,951

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,937	4,937

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,962	322
5.2	Call deposits	2,975	2,503
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,937	2,825

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	59
6.2	Aggregate amount of payments to related parties and their associates included in item 2	79
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> Includes fees, salaries and super paid to Managing Director, Executive Director and Non-Executive Directors		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(216)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(767)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(983)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,937
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,937
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.0
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: NA	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: NA	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: NA	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 25 January 2024

Authorised by: **The Board of Cazaly Resources Limited**

Mike Robbins (Company Secretary)

(Name of body or officer authorising release – see note 4)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.