



**ABN 23 101 049 334**

**And Controlled Entities**

# **ANNUAL REPORT**

***For the Year Ended  
30 June 2024***



## CONTENTS

### Cazaly Resources Limited Annual Report 2024

---

|                                                                         |    |
|-------------------------------------------------------------------------|----|
| Corporate Directory                                                     | 1  |
| Directors' Report                                                       | 2  |
| Auditor's Independence Declaration                                      | 21 |
| Consolidated Statement of Profit or Loss and Other Comprehensive Income | 22 |
| Consolidated Statement of Financial Position                            | 23 |
| Consolidated Statement of Changes in Equity                             | 24 |
| Consolidated Cash Flow Statement                                        | 25 |
| Notes to the Financial Statements                                       | 26 |
| Directors' Declaration                                                  | 50 |
| Independent Auditor's Report                                            | 51 |
| Additional Shareholder Information                                      | 57 |

---

**CHAIRMAN**

Clive Jones

**MANAGING DIRECTOR**

Tara French

**NON-EXECUTIVE DIRECTORS**

Terry Gardiner  
Jonathan Downes

**COMPANY SECRETARY**

Mike Robbins

**PRINCIPAL & REGISTERED OFFICE**

Level 3, 30 Richardson Street  
WEST PERTH WA 6005

**AUDITORS**

Hall Chadwick WA Audit Pty Ltd  
283 Rokeby Road  
Subiaco WA 6008

**SHARE REGISTRAR**

Automic  
Level 5, 126 Phillip St  
SYDNEY NSW 2000  
Telephone: 1300 288 664

**STOCK EXCHANGE LISTING**

Australian Securities Exchange  
(Home Exchange: Perth, Western Australia)  
Code: CAZ

**BANKERS**

National Australia Bank  
100 St Georges Terrace  
PERTH WA 6000

## DIRECTORS' REPORT

### Cazaly Resources Limited Annual Report 2024

---

Your directors present their report, together with the financial statements of Cazaly Resources Limited (**the Company** or **Cazaly**) and its controlled entities (**the Group**) for the financial year ended 30 June 2024.

#### 1. DIRECTORS AND COMPANY SECRETARY

##### Directors

The following directors have been in office since the start of the financial year to the date of this report unless otherwise stated:

Tara French – CEO and Managing Director  
Clive Jones – Chairman  
Terry Gardiner – Independent Non-Executive Director  
Jonathan Downes – Independent Non-Executive Director

##### Company Secretary

Mike Robbins

##### Directors' Meetings

The number of Directors' meetings held and conducted during the financial year and the number of meetings attended by each Director are:

|             | Meetings        |                 |
|-------------|-----------------|-----------------|
|             | No.<br>Eligible | No.<br>Attended |
| Mr Jones    | 6               | 6               |
| Ms French   | 6               | 6               |
| Mr Gardiner | 6               | 6               |
| Mr Downes   | 6               | 6               |

The Company does not have a formally constituted audit and risk committee or remuneration and nomination committee as the Board considers that the Company's size and type of operation do not warrant the formation of such committees. The Board performs the role of these committees and items that are usually required to be discussed by these committees are marked as separate Board meeting agenda items, as and when required.

#### 2. PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was mineral exploration and evaluation activities as well as seeking out further exploration, acquisition and joint venture opportunities. There were no significant changes in the nature of the Group's principal activities during the financial period.

#### 3. OPERATING RESULTS & FINANCIAL POSITION

The Group's loss after tax for the year was \$892,253 (2023: \$2,124,956). The Group's net assets at the end of the year are \$16,133,187, (2023: \$14,033,504).

Cash and cash equivalents as at year end were \$5,033,336, (2023: \$3,818,431).

Exploration expenditure, including tenement acquisitions, totalled \$2,836,512 for the year (2023: \$2,839,082). The main expenditure was on its new Canadian projects, the continued good standing of Ashburton and Halls Creek tenements and new project generation. Exploration expenditure written off for the year was \$178,431 (2023: \$636,964) and related to new project generation costs and expenditures associated with various projects, tenements and applications that were relinquished or written off during the financial year.

Net administration expenses and employee benefits for the year totalled \$1,005,929 (2023: \$979,688).

During this next financial year, the Group intends to continue to further develop its current core projects whilst also exploring key commodity opportunities both in Australia and overseas.

#### **4. MATERIAL BUSINESS RISKS**

There are inherent risks associated with mineral exploration and development activities that specifically relate to the Company's operations. Due to the speculative nature of mineral exploration activities, there is no certainty that the Company's activities will result in a new economic mineral discovery. Even if economic mineralisation is discovered there is no guarantee that it can be commercially exploited. The following highlights key risks to the business and is not intended to be an exhaustive list of risk factors to which the Company may be exposed.

##### **Security of Tenure**

The company operates in Australia, Namibia and Canada. In all jurisdictions the Company's activities are conducted on granted tenements or licences governed by the relevant state legislation. Each licence is granted for a specified term and has specific compliance conditions including but not limited to annual expenditure, payments of rents and rates, and reporting commitments.

Exploration licences are subject to periodic renewal. Any licence renewal, while not guaranteed, may come with increased costs. While the Company endeavours to meet its commitments for exploration licences, there is no guarantee that the Company will satisfy the expenditure commitments. If the term of any licence is not renewed or extended, the Company may suffer damage through loss of the opportunity to discover and/or develop any mineral resources on these tenements.

Interests in tenure may also be compromised or lost due to changes in government policy, third party interests or claims.

##### **Land Access**

Land access is critical for exploration and/or exploitation to succeed. Under various government legislation, the Company will generally be required to obtain the consent of and/or pay compensation to landowners/occupiers, the holders of pastoral leases, petroleum tenure and other tenure which overlay areas within Company tenements in respect of any proposed exploration or mining activities on the tenements. The Company may also be required to obtain the consent of the relevant Minister in relation to activities on certain areas of the tenements.

Negotiating land access agreements has the potential to delay, curtail and preclude the Company's operations.

##### Aboriginal Heritage, Native Title, and First Nation Groups

Mining tenements are generally subject to native title laws and may be subject to future native title applications. Native title may preclude or delay granting of exploration and mining tenements or the ability of the Company to explore, develop and/or commercialise the mining tenements. Considerable expenses may be incurred negotiating and resolving issues, including any compensation agreements reached in settling native title claims lodged over any of the mining tenements held or acquired by the Company.

The presence of Aboriginal sacred sites and cultural heritage artefacts on mining tenements is protected by Western Australian and Commonwealth laws. Any destruction or harming of such sites and artefacts may result in the Company incurring significant fines and court injunctions. The existence of such sites may limit or preclude exploration or mining activities on those sites, which may cause delays and additional expenses for the Company in obtaining clearances.

First Nations continuous right to self-determination and respect for, and access to, traditions is key to the preservation of indigenous culture.

The Company's Canadian projects may now or in the future be the subject of First Nation land claims. The legal nature of First Nation land claims is a matter of considerable complexity. The impact of any such claim on the Company's material interest in the projects and/or potential ownership interest in the projects in the future, cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of First Nation rights in the areas in which the projects are located, by way of negotiated settlements or judicial pronouncements,



## **DIRECTORS' REPORT**

### **Cazaly Resources Limited Annual Report 2024**

---

would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of First Nation interests in order to facilitate exploration and development work on the Company's mineral properties, and there is no assurance that the Company will be able to establish practical working relationships with the First Nation communities in the area which would allow it to ultimately develop the Company's mineral properties.

#### **Future capital requirements**

The Company's capital requirements depend on numerous factors. Additional funding may be required and may be raised by the Company via the issues of equity, debt or a combination of debt and equity or asset sales. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern or remain solvent.

#### **Reliance on key personnel**

The Company is reliant on a number of key personnel and consultants, including members of the Board and its experienced management team. The loss of one or more of these key contributors could have an adverse impact on the business of the Company. There is no guarantee that the Company can continue to attract and retain high quality, suitably qualified and experienced people.

#### **New projects and acquisitions**

The Company may make acquisitions in the future as part of future growth plans. In this regard, the Directors will use their expertise and experience in the resources sector to assess the value of potential projects that have characteristics that the Directors consider are likely to provide returns to Shareholders.

There can be no guarantee that any new project acquisition or investment will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders. Such acquisitions may result in use of the Company's cash resources and/or the issuance of equity securities, which will dilute shareholdings.

#### **Sovereign / Political risk**

Cazaly currently operate in Namibia, Australia, and Canada. There is sovereign risk associated with operating in any country, including Australia. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over land access and natural resources.

Any future material adverse changes in government policies or legislation in which the Company has projects that affect ownership, exploration, development or activities of companies involved in exploration and production, may affect the viability and profitability of the Company.

#### **Results of studies**

Subject to the results of any future exploration and testing programs, the Company may progressively undertake a number of studies in respect to the Company's current projects or any new projects. These studies may include scoping studies, pre-feasibility studies and bankable feasibility studies.

There can be no guarantee that any of the studies will confirm the economic viability of the Company's projects, or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

Further, even if a study determines the economics of the Company's projects, there can be no guarantee that the projects will be successfully brought into production as assumed or within the estimated parameters in the feasibility study, once production commences including but not limited to operating costs, mineral recoveries and commodity prices.

**Resource and Reserve estimates**

There is no guarantee that any of the Company's projects will become feasible and consequently no forecast is made of whether or not any ore reserve will be defined in future.

**Environmental liabilities**

The Company's activities are subject to potential risks and liabilities associated with (without limitation) the potential pollution of the environment and the necessary disposal of waste products resulting from mineral exploration and development. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration is not generally available to the Company (or to other companies in the minerals industry) at a reasonable price. To the extent that the Company becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Company and could have a material adverse effect on the Company. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

**Environmental regulation risk**

The Company's projects are subject to provincial, state and federal laws and regulations regarding environmental matters. The governments and other authorities that administer and enforce environmental laws and regulations determine these requirements. As with all exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if they result in mine development.

While the Company complies with all environmental laws and regulations, the cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop mineral deposits. There are also risks that the Company may inadvertently breach environmental laws and regulations, with consequential adverse effects on the financial position and performance of the Company.

Further, the Company may require approvals from relevant authorities before it can undertake activities that are likely to impact the environment. There is no guarantee that approvals will be granted, thus preventing the Company from undertaking its desired activities.

**Climate change**

The Company acknowledges the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

**Commodity price volatility**

The Company is currently exposed to the risks of commodity price volatility which affects the Company's expenditure.

## 5. REVIEW OF OPERATIONS

### PROJECTS

#### Safety, Health, Environment & Community Relations

The Company has sound management systems in place for all its safety, health, environmental and community relation work practices.

During the 2024 financial year, there were no lost time injuries (LTI's) and no reportable incidents relating to safety, health, environment or community-related matters.

Cazaly is currently developing and evolving its Environmental, Social and Governance (**ESG**) framework to enable it to report against the 21-core metrics and disclosures as promoted by the World Economic Forum. The Company has and continues to consult with all its stakeholders when addressing the planned systems and actions required for the four key ESG pillars – Governance, Planet, People and Prosperity.

The Board recently adopted the Cazaly Modern Slavery Values.

### CANADA

#### Carb – Niobium & Rare Earth Elements Project (CAZ 100%)

The Carb project comprises a large, +3km diameter carbonatite complex prospective for Niobium and Rare Earth Elements, located in north-western Ontario (Figure 1). The Project is located between two major tectonic terrane boundaries along the North Kenyon Fault, a significant crustal scale fault, an ideal structure for mantle derived magma to intrude through to the upper crust.

The mid-Proterozoic aged carbonatite emplaced within tonalites of the Northern Superior Superterrane that represents the northernmost exposure of Archaean Rocks in Ontario. The carbonatite is not exposed at surface with shallow cover from 7 to 12m.

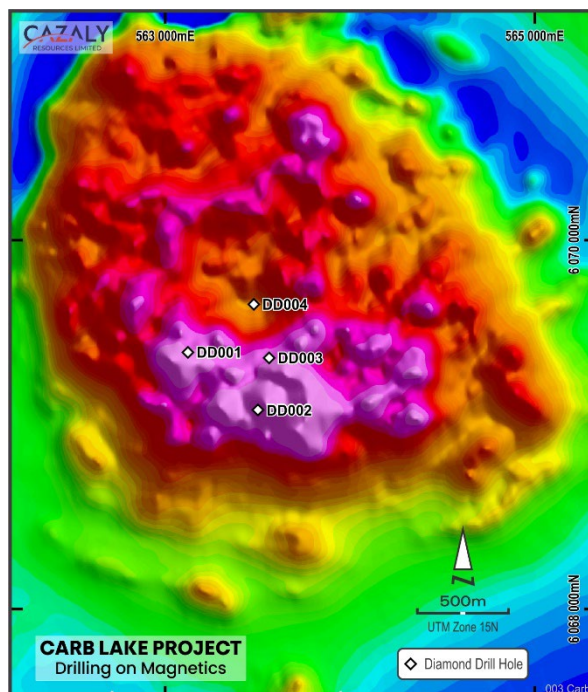
Very little historical exploration has been completed on the project. Four diamond holes (DD001-DD004, Figure 2) were drilled at Carb in 1967 for a total of 564m. The drill core provided data for geochemical studies which was completed by the Ontario Department of Mines, Geological Survey in the late 1960s and early 1970s. Much of the diamond core was consumed for these studies however some core remains and is stored by the department. The best results reported were from DD004, drilled into the centre of the carbonatite complex in an area of low magnetic intensity (Figure 2), with two samples reporting **>5% Ce and >1% La**. One sample reported a value of **7.1% Nb**.

On 1 July 2024, the Company announced that it had received government approval which included a consultative process with the First Nation local community, for a proposed drill program to test Nb and REE mineralisation at the large-scale Carb carbonatite complex. Drilling was due to commence in early August 2024, but as announced on 7 August 2024, the drilling programme was delayed due to a new communication from the local First Nation community. Unfortunately, this communication was not received until after the geological crew and drill rig mobilised to commence the planned work. In response, the Company has suspended the programme. The company commenced communications with the First Nation local community when the project was acquired in August 2023 and will continue this process to move the project forward.



**Figure 1. Location of the Carb Niobium and REE project, Ontario, Canada.**





**Figure 2. Aeromagnetic image of the Carb carbonatite complex, and location of historical drill holes.**

For further technical disclosures, relative cautionary statements and references please refer to Cazaly announcements dated 27 April 2023, 3 May 2023, 14 June 2023, 31 July 2023, 22 August 2023, 22 September 2023, 10 November 2023, 19 January 2024, 25 March 2024 and 1 July 2024.

**Cautionary Statement**

*The historical exploration results have been reported in ASX announcements listed above and 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 have been collected on historical drill 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.*

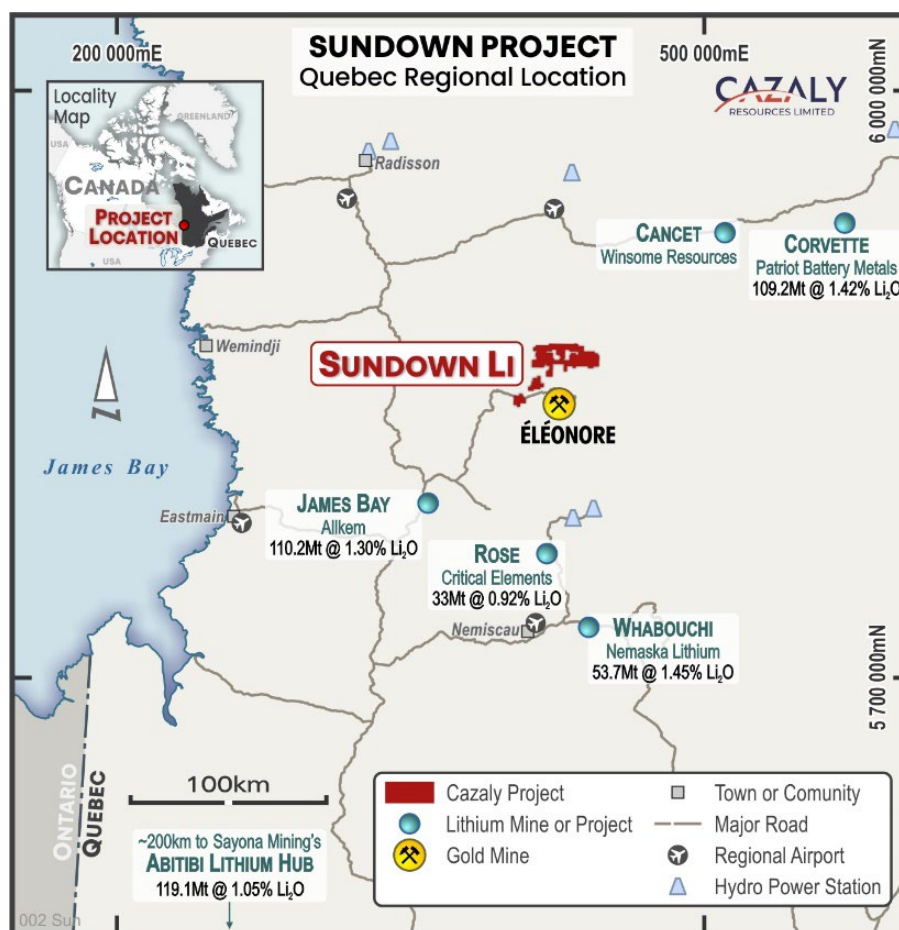
**Sundown Lithium Project (CAZ 25%)**

The Sundown project represents a strategically significant tenement holding (Figure 3) covering 260km<sup>2</sup> positioned between Allkem Ltd's (ASX: AKE) James Bay deposit and Patriot Battery Metals (ASX: PMT) Corvette deposit. Past surface rock chip sample results confirmed the prospectivity of the Gladman intrusive suite, that occupies a significant portion of the Sundown project area, as a primary exploration target for LCT pegmatites.

On 7 August 2023, the Company announced that it completed its due diligence and would proceed with the acquisition of the Sundown lithium project. Cazaly moved to a 25% holding in the project after making a payment of C\$350,000 and issuing 19,065,535 shares on 11 August 2023.

With such a large landholding, a significant amount of methodical exploration work is required in order to adequately test the 260km<sup>2</sup> project area. Future helicopter supported exploration programs including mapping and rock chip or channel sampling would be needed to form part of the initial greenfields exploration strategy.

Upon further review the Company decided not to proceed with the Property Option Agreement on the project. The Company retains its 25% interest in the property whilst allowing the Company to focus its efforts on other projects and preserving its cash resources.



**Figure 3. Location of the Sundown Lithium Project and significant lithium resources in the James Bay District.**

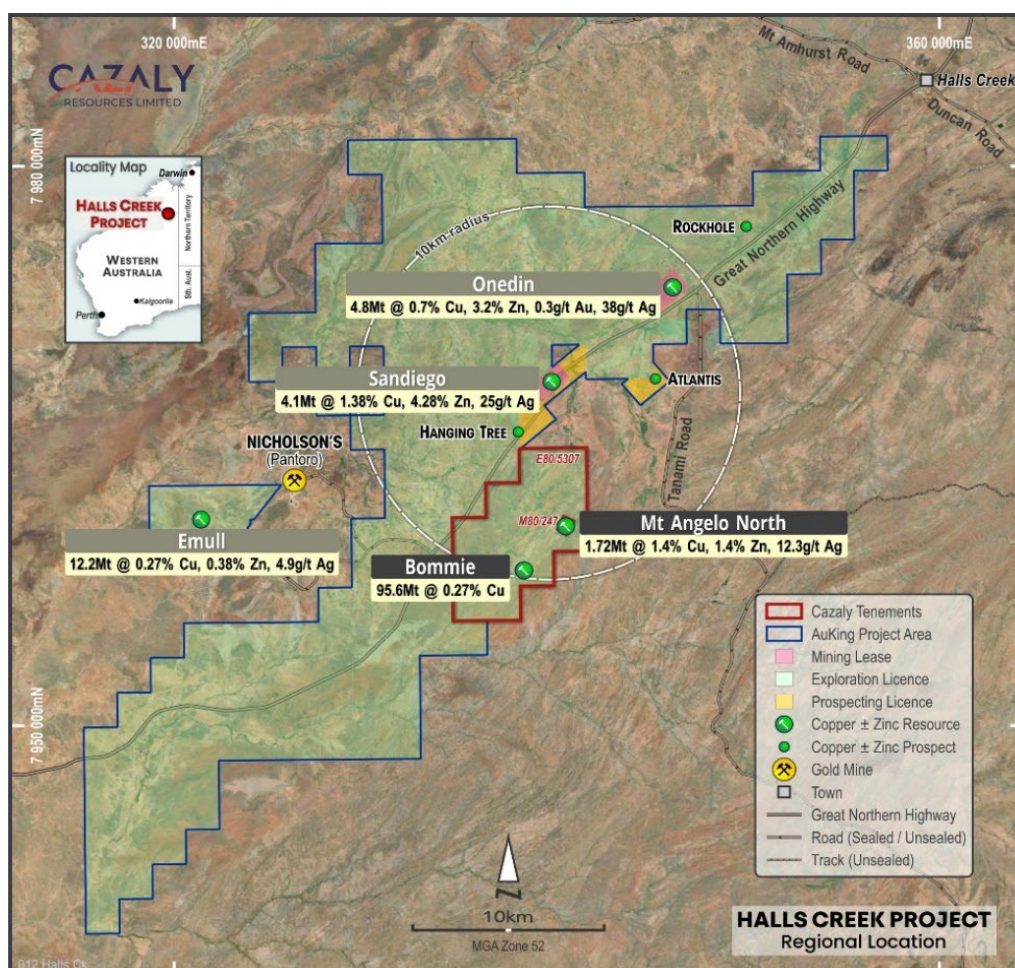
For further technical disclosures, relative cautionary statements and references please refer to Cazaly announcements dated 31 May 2023, 1 June 2023, 7 August 2023, 15 August 2023, 4 September 2023, 10 November 2023 and 19 January 2024.

## AUSTRALIA

### Halls Creek Copper Zinc and Silver Project (CAZ 100%)

The project 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 (Figure 4). The project includes the Mount Angelo North volcanogenic massive sulphide (VMS) copper-zinc-silver deposit and the Bommie porphyry copper deposit.

In June 2023, Cazaly received positive results from AuKing Mining Limited's Koongie Park copper-zinc scoping study, which included the Company's 100% owned mineral resources at Halls Creek. The AuKing scoping study confirmed 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. The strong project economics and financial returns produced a pre-tax NPV<sub>8</sub>% of approximately A\$176.9M and a 39.7% IRR. The estimated payback period is 2.45 years after incurring pre-production Capex of A\$134M. For full scoping study results and details please refer to Cazaly announcement dated 1 June 2023.



**Figure 4. Halls Creek Project. Mt Angelo North and Bommie copper resources relative to AuKing's project area.**

Mineral Resource Estimates for these deposits are reported in accordance with the JORC Code 2012 as per the tables below by resource classification and weathering state.

**Table 1. Mount Angelo North Cu-Zn-Ag Deposit, Mineral Resource Estimate (0.4% Cu cut-off), January 2022**

| Type         | Indicated        |            |           |            | Inferred         |            |           |            | Total            |            |           |            |
|--------------|------------------|------------|-----------|------------|------------------|------------|-----------|------------|------------------|------------|-----------|------------|
|              | TONNES<br>Metric | Cu<br>%    | Ag<br>ppm | Zn<br>%    | TONNES<br>Metric | Cu<br>%    | Ag<br>ppm | Zn<br>%    | TONNES<br>Metric | Cu<br>%    | Ag<br>ppm | Zn<br>%    |
| Oxide        | 149,000          | 1.4        | 21        | 0.9        | 67,500           | 0.9        | 9         | 0.9        | 216,000          | 1.2        | 17        | 0.9        |
| Transitional | 158,000          | 1.7        | 16        | 1.5        | 157,000          | 1.2        | 7         | 0.6        | 316,000          | 1.4        | 12        | 1.1        |
| Fresh        | 699,000          | 1.7        | 13        | 1.8        | 487,000          | 1.0        | 10        | 1.4        | 1,187,000        | 1.4        | 12        | 1.6        |
| <b>Total</b> | <b>1,007,000</b> | <b>1.6</b> | <b>15</b> | <b>1.6</b> | <b>712,000</b>   | <b>1.0</b> | <b>9</b>  | <b>1.2</b> | <b>1,719,000</b> | <b>1.4</b> | <b>12</b> | <b>1.4</b> |

For further technical information please refer to the Cazaly ASX Quarterly Activities Report for December 2021 (dated 31 January 2022).



**Table 2. Bommie Porphyry Copper Deposit, Maiden Mineral Resource Estimate (0.2% Cu cut-off), November 2022**

| Type         | Indicated        |             |                    | Inferred          |             |                    | Total             |             |                    |
|--------------|------------------|-------------|--------------------|-------------------|-------------|--------------------|-------------------|-------------|--------------------|
|              | TONNES<br>Metric | Cu<br>%     | Cu metal<br>Tonnes | TONNES<br>Metric  | Cu<br>%     | Cu metal<br>Tonnes | TONNES<br>Metric  | Cu<br>%     | Cu metal<br>Tonnes |
| Oxide        | 212,000          | 0.29        | 1,000              | 1,108,000         | 0.27        | 3,000              | 1,320,000         | 0.27        | 4,000              |
| Transitional | 2,799,000        | 0.30        | 8,000              | 6,978,000         | 0.28        | 19,000             | 9,777,000         | 0.27        | 28,000             |
| Fresh        | 3,091,000        | 0.30        | 39,000             | 71,380,000        | 0.27        | 190,000            | 84,471,000        | 0.27        | 230,000            |
| Total        | <b>6,102,000</b> | <b>0.30</b> | <b>48,000</b>      | <b>79,466,000</b> | <b>0.27</b> | <b>212,000</b>     | <b>95,568,000</b> | <b>0.27</b> | <b>262,000</b>     |

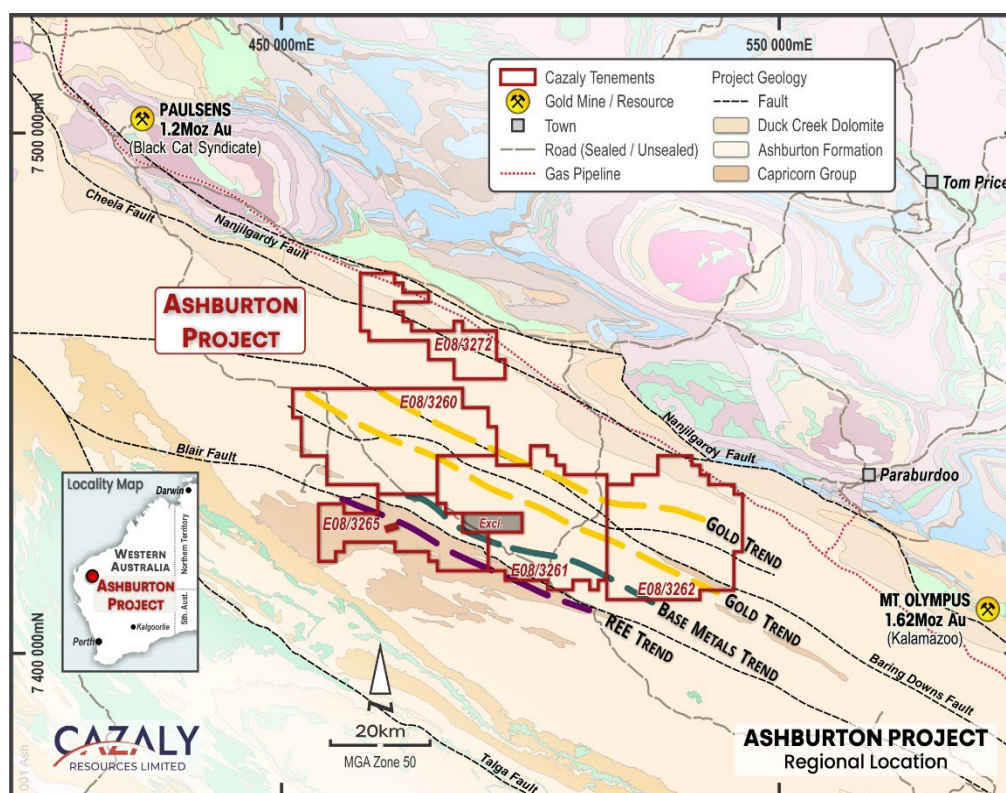
Refer to the Cazaly ASX announcement dated 24 November 2022 for details of drilling results, and the resource estimation parameters.

### Ashburton Basin Rare Earth Elements, Gold and Base Metals Project (CAZ 100%)

Cazaly's Ashburton project spans 2,450km<sup>2</sup> in the Ashburton Basin, in the Pilbara region of Western Australia. 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 the discovery of large mineralised systems along the major regional scale structures, which to date have seen very little modern exploration.

Cazaly's exploration activities have identified 4 regional scale mineralised trends up to 70km long (Figure 5) that coincide with several mantle tapping structures required for the transportation of significant volumes of mineralised fluids suitable for the development of large-scale mineralised systems. In addition to regional scale targeting, several prospect scale targets, up to 10km long, have been identified across the project area.



**Figure 5. Location of the Ashburton Project relative to +1M oz gold deposits in the district.**

### Lyons Rare Earth Elements Project (CAZ 100%)

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

The tenure consists of a total of four tenements, that together form the Lyons Project a very prospective package of ground in the Bangemall Basin (Figure 6). Two of the tenements along the Lyons River Fault (E09/2671 and E52/4040) were acquired to consolidate the Lyons Project via an exclusive binding option agreement with Murchison REE Pty Ltd to acquire up to 100% of the project.

As announced on 28 December 2023, the Company conducted reconnaissance surface sampling during late November 2023. 212 stream sediment samples were collected across three target areas (A1-A3) to test the potential for REE and base metal mineralisation. All samples were sieved to -75µm and assayed at Intertek laboratories using a high resolution aqua regia method.

Follow up surface sampling completed during the June '24 quarter downgraded the geochemical targets identified at Lyons. The Company considers the prospectivity of the project is no longer sufficient to warrant further work, and as such surrendered E52/4212 subsequent to the end of the June '24 quarter. The option agreement for E09/2671 and E52/4040 was not exercised, and no financial contributions were made to Murchison REE Pty Ltd following the initial exclusivity payment (refer ASX Announcement 2 August 2023).

For further technical disclosures and references please refer to CAZ announcements dated 2 August 2023, 5 December 2023 and 28 December 2023.

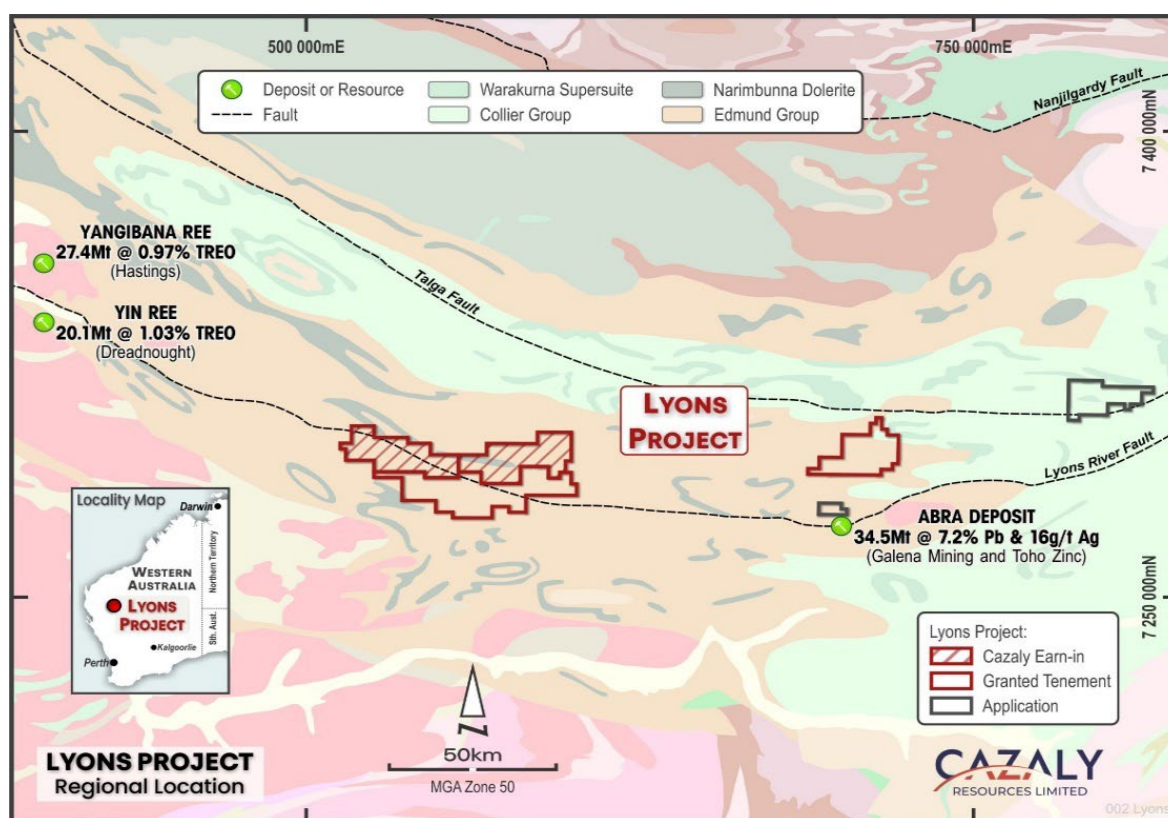


Figure 6. Lyons REE and base metal project location within the Gascoyne Province.



## NAMIBIA

### Abenab North Rare Earth Elements & Base Metals Project (CAZ 95%)

The application approval for a new exploration licence for Abenab North is pending. The project is located in the northern region of Namibia (Figure 7) through its 95% owned local subsidiary company Philco One Hundred and Seventy-Three (Proprietary) Limited ("Philco"). The Abenab North project application has no competing applications and covers an area of approximately 790 km<sup>2</sup>. The project is considered to be highly prospective for base metals and REE mineralisation as evidenced from the results of previous 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 comprising the towns of Tsumeb and Grootfontein. The region is a 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.



**Figure 7. Location of Namibian Critical Mineral Projects.**

### 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 7). The area has excellent infrastructure, with the Project only 50 km away from Opuwo, the regional capital, which has an airport and well-maintained bitumen roads. In addition, the Project has access to the 320 MW Ruacana hydroelectric power station, and transmission lines that run through both the western and eastern parts of the Project.

An application for a two-year licence extension was granted and is valid until 8 June 2025.

Cazaly previously identified a large lithium in soil anomaly at the Ohevanga Prospect measuring 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.

As announced on the 9 September 2024, the Company commenced a first phase 1,600m drilling campaign to test the lithium targets. For further technical details please refer to Cazaly ASX announcements dated 24 March 2023 and 9 September 2024.

## OTHER INTERESTS

### Joint Ventures

#### Mt Venn (CAZ 20%)

The Mt Venn Gold Project is located 125km northeast of Laverton in the North-eastern Goldfields Region of Western Australia and covers approximately 400km<sup>2</sup> 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.

## DIRECTORS' REPORT

### Cazaly Resources Limited Annual Report 2024

---

The Mt Venn project is subject to an unincorporated Joint Venture between the operators Woomera Mining Limited (Woomera, ASX:WML) (80%) and Cazaly (20%). Cazaly is free carried to pre-feasibility stage.

#### McKenzie Springs (CAZ 30%)

Sammy Resources Pty Ltd (a wholly owned subsidiary of Cazaly) is in joint venture 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).

#### **Royalties**

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. Management level discussions have continued with MIN since their June 2024 announcement in respect of their plans to discontinue iron ore shipments from the Yilgarn Hub by 31 December 2024.

Following the sale of the Hamersley Iron Ore Project in 2021, to Equinox Resources Limited (ASX: EQN), 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 of the project.

#### **CORPORATE**

The Company had cash and investments totalling \$5.62 million at 30 June 2024.

#### Share Issues

On 24 July 2023, the Company issued 4,115,663 fully paid ordinary shares to Exiro Minerals Corp (value C\$150,000) as per the terms and conditions of a consulting and finder's fee agreement for its Canadian projects.

On 11 August 2023, the Company issued 19,065,535 fully paid ordinary shares to IMinerals Corp as per the terms and conditions of an agreement for a 25% interest in the Sundown project in Quebec.

On 6 and 7 December 2023, the Company issued a total of 59,633,333 fully paid shares as per the terms and conditions of a placement announced on 27 November 2023.

After shareholder approval was obtained on 23 May 2024, a further 6,666,667 shares were issued to a director under the same terms and conditions of the placement on 27 November 2023. Total gross proceeds from the placement were \$1,989,000.

#### Option Issues

On 14 December 2023, the Company issued 5,000,000 unquoted options (exercisable at \$0.045 on or before 13 December 2026) to Barclay Wells as part of the Lead Manager's fee as per the terms and conditions of the placement announced on 27 November 2023.

## **6. FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES**

The Group continues to assess other potential project opportunities that will add value to its portfolio, in addition to continuing its mineral exploration activity on and around its exploration projects with the aim of identifying commercial mineral resources.

## **7. SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

There were no significant changes in the state of affairs of the Group during the financial year.

## DIRECTORS' REPORT

### Cazaly Resources Limited Annual Report 2024

---

#### 8. AFTER BALANCE DATE EVENTS

The Directors are not aware of any matters or circumstances at the date of the report, other than those referred to in this report or the financial statements or notes thereto, that has significantly affected or may significantly affect the operations, the results of operations or the state of affairs of the Group in subsequent financial years.

#### 9. INFORMATION ON DIRECTORS

##### Clive Jones

##### Chairman

###### Experience

Mr Jones has been involved in mineral exploration for over 30 years and has sound experience in a range of commodities including gold, base metals, lithium, mineral sands, iron ore, uranium and industrial minerals both in Australia and overseas. Mr Jones is a founding Director of Cazaly Resources Ltd and has proven corporate and exploration success. He is also a Director of Bannerman Energy Limited which is listed on the ASX and on the Namibian Stock Exchange.

###### Equity Holdings

27,993,707 fully paid ordinary shares

###### Listed Directorships

Current  
Bannerman Energy Ltd

##### Tara French

##### Managing Director

###### Experience

Ms French is a geologist with over 25 years mining and exploration experience, predominantly in Western Australia and before joining Cazaly, led a large team as General Manager of Exploration for Regis Resources Limited where she was employed for 14 years and played a key role in the transition and growth of Regis over that time. Ms French has experience in project evaluation, resource estimation, open cut, and underground mining across multiple commodities. She also holds an honours degree in Economic Metalliferous Geology, is a Member of the Australian Institute of Geoscientists, and is a Graduate Member of the Australian Institute of Company Directors.

###### Equity Holdings

3,423,959 fully paid ordinary shares  
5,000,000 performance rights  
1,500,000 options exercisable at \$0.056 expiring 12 October 2024  
1,500,000 options exercisable at \$0.056 expiring 12 October 2025

###### Listed Directorships

Current  
Lefroy Exploration Ltd

##### Terry Gardiner

##### Independent Non-Executive Director

###### Experience

Mr Gardiner has been involved in capital markets, corporate advising, stockbroking & derivatives trading for over 25 years. For the past eighteen years Mr Gardiner has been an Executive Director of boutique broker Barclay Wells Ltd. He also holds other Non-Executive Director roles with various ASX listed and unlisted public companies.

###### Equity Holdings

17,866,667 fully paid ordinary shares

###### Listed Directorships

Current  
Galan Lithium Limited  
Roto-Gro International Limited  
Charger Metals NL

## DIRECTORS' REPORT

### Cazaly Resources Limited Annual Report 2024

---

#### Jonathan Downes

#### Independent Non-Executive Director

##### Experience

Mr Downes, BSc (GeoPhys) MAIG, has over 30 years' experience in the mineral and energy sectors and specialises in project identification and development and has worked in various geological and corporate capacities. Jonathan has experience with nickel, gold and base metals and electrical energy solutions. Mr Downes is currently the Managing Director of Kaiser Reef Limited and is a director of Brightstar Resources Limited and Nickel X Limited.

##### Equity Holdings

400,100 fully paid ordinary shares  
2,000,000 options exercisable at \$0.047 expiring 25 November 2025

##### Listed Directorships

Current  
Kaiser Reef Limited  
Brightstar Resources Limited  
Nickel X Limited  
Last three years  
Galena Mining Limited (resigned October 2021)  
Corazon Mining Limited (resigned September 2023)

#### Mike Robbins – Company Secretary

Mr Robbins has over 25 years resource industry experience gathered at both operational and corporate levels, both within Australia and overseas. During that time, he has held numerous project and head office roles and is also the Company Secretary for Galan Lithium Limited.

## 10. ENVIRONMENTAL

The Group has a policy of complying with or exceeding its environmental performance obligations. The Board believes that the Group has adequate systems in place for the management of its environmental requirements. The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The Directors are not aware of any breach of environmental legislation for the financial year under review.

## 11. REMUNERATION REPORT – AUDITED

This report details the nature and amount of remuneration for each director of the Company.

### Remuneration Policy

The remuneration policy of Cazaly has been designed to align Director and executive objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates and Group performance. The further tailoring of goals between shareholders and the Directors and executives is achieved through the issue of equity to the directors and executives to encourage the alignment of personal and shareholder interest.

The Cazaly Board believes the current remuneration policy is appropriate and effective in its ability to attract and retain high quality personnel in order to achieve its strategic objectives and create value for shareholders.

The Group is exploration and development focussed, and therefore speculative in terms of performance. Consistent with attracting and retaining talented people, the Directors and executives are paid market rates associated with individuals in similar positions, within the same industry. Where necessary, independent advice is obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

All remuneration paid to Directors and executives is valued at the cost to the Company and expensed or carried forward on the balance sheet for any time that is attributable to exploration and evaluation. Any awarded option incentives are valued using the Black-Scholes methodology.



## DIRECTORS' REPORT

### Cazaly Resources Limited Annual Report 2024

---

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors receive a fixed fee for time, commitment and responsibilities and may be paid remuneration as the directors determine where the director performs services outside the scope of the ordinary duties of the director. Non-executive directors may also be paid expenses properly incurred in attending meetings or otherwise in connection with the Company's business.

The Company's constitution provides that the non-executive directors, as a whole, may be paid or provided fees or other remuneration for their services as a director of the Company. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (last approved in 2022). Fees for non-executive Directors are not linked to the performance of the Company. However, to align Directors' interests with shareholder interests, all Directors are encouraged to hold shares in the Company.

#### **Employment Details**

All Directors have engagement contracts in place.

Mr Clive Jones is currently the Chairman of the Company and is engaged on a part-time basis. His annual remuneration (from 1 July 2023) is split between a monthly consulting fee of \$5,167 per month and an annual salary component of \$62,000 (plus statutory superannuation).

Mr Terry Gardiner and Mr Jonathan Downes, are Non-Executive Directors and are both employed by the Company on an annual salary of \$52,000 (plus statutory superannuation)(from 1 July 2023).

Ms Tara French is the Company's Managing Director and is on an annual salary of \$290,000 (plus statutory superannuation)(from 1 July 2023). Should Ms French or the Company wish to terminate her contract, either Ms French or the Company are required to give written notice of at least three (3) months before the effective date of termination.

Termination payments are not payable under the circumstances of unsatisfactory performance.

## DIRECTORS' REPORT

### Cazaly Resources Limited Annual Report 2024

#### **Details of Remuneration for Years Ended 30 June 2024 & 30 June 2023**

The remuneration for key management personnel of the company during the year was as follows:

|                                                   | Short-term Benefits          |                         |                     |       | Post<br>Employment<br>Benefits | Other<br>Long-<br>term<br>Benefits | Share based<br>Payment |                     | Total   | Performance<br>Related |
|---------------------------------------------------|------------------------------|-------------------------|---------------------|-------|--------------------------------|------------------------------------|------------------------|---------------------|---------|------------------------|
|                                                   | Cash,<br>salary &<br>bonuses | Cash<br>profit<br>share | Non-cash<br>Benefit | Other | Super                          | Other                              | Equity                 | Options<br>& Rights |         |                        |
|                                                   | \$                           | \$                      | \$                  | \$    | \$                             | \$                                 | \$                     | \$                  | \$      | %                      |
| Tara French – Managing Director                   |                              |                         |                     |       |                                |                                    |                        |                     |         |                        |
| 2024                                              | 290,000                      |                         |                     |       | 31,900                         |                                    |                        |                     | 321,900 | -                      |
| 2023                                              | 280,000                      | -                       | -                   | -     | 29,400                         | -                                  | -                      | -                   | 309,400 | -                      |
| Clive Jones – Chairman and Executive Director (i) |                              |                         |                     |       |                                |                                    |                        |                     |         |                        |
| 2024                                              | 124,000                      | -                       | -                   | -     | 6,820                          | -                                  | -                      | -                   | 130,820 |                        |
| 2023                                              | 150,000                      | -                       | -                   | -     | 6,300                          | -                                  | -                      | -                   | 156,300 | -                      |
| Terry Gardiner – Non-Executive Director           |                              |                         |                     |       |                                |                                    |                        |                     |         |                        |
| 2024                                              | 52,000                       | -                       | -                   | -     | 5,720                          | -                                  | -                      | -                   | 57,720  | -                      |
| 2023                                              | 50,000                       | -                       | -                   | -     | 5,250                          | -                                  | -                      | -                   | 55,250  | -                      |
| Jonathan Downes – Non-Executive Director (ii)     |                              |                         |                     |       |                                |                                    |                        |                     |         |                        |
| 2024                                              | 52,000                       | -                       | -                   | -     | 5,720                          | -                                  | -                      | -                   | 57,720  | -                      |
| 2023                                              | 50,000                       | -                       | -                   | -     | 5,250                          | -                                  | -                      | 24,460              | 79,710  | 30.1%                  |
| <b>Total Remuneration</b>                         |                              |                         |                     |       |                                |                                    |                        |                     |         |                        |
| 2024                                              | 518,000                      | -                       | -                   | -     | 50,160                         | -                                  | -                      | -                   | 568,160 | -                      |
| 2023                                              | 530,000                      | -                       | -                   | -     | 46,200                         | -                                  | -                      | 24,460              | 600,660 | 4.1%                   |

- i) Aggregate short-term benefits of \$124,000 (2023: \$150,000) were paid or were due and payable to Clive Jones or Widerange Corporation Pty Ltd, a company controlled by Mr Clive Jones, for the provision of corporate and technical management services to the Company. This amount includes a salary of \$62,000.
- ii) Share-based payments options were included in Mr Downes' employment conditions and were fully expensed in FY 2023. The issue of 2 million unquoted options was approved by shareholders on 18 November 2022.

#### **Voting and comments made at the Company's 2023 Annual General Meeting**

The adoption of the Remuneration Report for the financial year ended 30 June 2023 was put to the shareholders of the Company at the Annual General Meeting held 21 November 2023. The Company received 99.8% of the poll vote, of those shareholders who exercised their right to vote, in favour of the remuneration report for the 2023 financial year. The resolution was passed without amendment by the poll and on proxy vote. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

#### **Related Party Information**

The Company received a total of \$Nil (2023: \$69,883) under an Office Services Agreement with Galan Lithium Ltd. Galan Lithium Ltd is considered by the Company to be a related Party, as a Galan Non-Executive Director, Mr Terry Gardiner, is also a director of Cazaly Resources Ltd. The agreement was terminated on 31 January 2023.

The Company paid \$57,480 (2023: \$57,480) for the provision of Company Secretarial services to Galan Lithium Ltd. Galan Lithium Ltd is considered by the Company to be a related Party, as a Galan Non-Executive Director, Mr Terry Gardiner, is also a director of Cazaly Resources Ltd.

The Company paid \$119,335 (2023: \$Nil) and issued 5 million unlisted options (exercisable at \$0.045 on or before 13 December 2026) for the provision of Lead Manager services to Barclay Wells Ltd. Barclay Wells is considered to be a related Party, as a Barclay Wells executive director, Mr Terry Gardiner, is also a director of Cazaly Resources Ltd.

## DIRECTORS' REPORT

### Cazaly Resources Limited Annual Report 2024

#### Key Management Personnel (KMP) Equity Holdings

| <b>SHARES</b>       | <b>Balance</b>  | <b>Granted as</b>   | <b>Options</b>   | <b>Net Change</b> | <b>Balance</b>  |
|---------------------|-----------------|---------------------|------------------|-------------------|-----------------|
| <b>30 June 2024</b> | <b>01-07-23</b> | <b>Remuneration</b> | <b>Exercised</b> | <b>Other</b>      | <b>30-06-24</b> |
| C. Jones            | 23,898,469      | -                   | -                | 4,095,238         | 27,993,707      |
| T. French           | 1,000,000       | -                   | -                | 2,423,959         | 3,423,959       |
| T. Gardiner         | 9,717,893       | -                   | -                | 8,148,774         | 17,866,667      |
| J. Downes           | 300,100         | -                   | -                | 100,000           | 400,100         |
|                     | 34,916,462      | -                   | -                | 14,767,971        | 49,684,433      |

|                     | <b>Balance</b>  | <b>Granted as</b>   | <b>Options</b>   | <b>Net Change</b> | <b>Balance</b>  |
|---------------------|-----------------|---------------------|------------------|-------------------|-----------------|
| <b>30 June 2023</b> | <b>01-07-22</b> | <b>Remuneration</b> | <b>Exercised</b> | <b>Other</b>      | <b>30-06-23</b> |
| C. Jones            | 22,829,904      | -                   | -                | 1,068,565         | 23,898,469      |
| T. French           | 1,000,000       | -                   | -                | -                 | 1,000,000       |
| T. Gardiner         | 9,467,893       | -                   | -                | 250,000           | 9,717,893       |
| J. Downes           | 200,100         | -                   | -                | 100,000           | 300,100         |
|                     | 33,497,897      | -                   | -                | 1,418,565         | 34,916,462      |

| <b>OPTIONS</b>      | <b>Balance</b>  | <b>Issued</b>   |                  | <b>Lapsed/</b> | <b>Balance</b>  | <b>Vested</b>     | <b>Vested</b>      |
|---------------------|-----------------|-----------------|------------------|----------------|-----------------|-------------------|--------------------|
| <b>30 June 2024</b> | <b>01-07-23</b> | <b>Acquired</b> | <b>Exercised</b> | <b>Other</b>   | <b>30-06-24</b> | <b>during the</b> | <b>and</b>         |
|                     |                 |                 |                  |                |                 | <b>year</b>       | <b>exercisable</b> |
| C. Jones            | -               | -               | -                | -              | -               | -                 | -                  |
| T. French (i)       | 3,500,000       | 1,500,000       | -                | (2,000,000)    | 3,000,000       | 1,500,000         | 3,000,000          |
| T. Gardiner         | -               | -               | -                | -              | -               | -                 | -                  |
| J. Downes (ii)      | 2,000,000       | -               | -                | -              | 2,000,000       | -                 | 2,000,000          |
|                     | 5,500,000       | 1,500,000       | -                | (2,000,000)    | 5,000,000       | 1,500,000         | 5,000,000          |

|                     | <b>Balance</b>  | <b>Issued</b>   |                  | <b>Lapsed/</b> | <b>Balance</b>  | <b>Vested</b>     | <b>Vested</b>      |
|---------------------|-----------------|-----------------|------------------|----------------|-----------------|-------------------|--------------------|
| <b>30 June 2023</b> | <b>01-07-22</b> | <b>Acquired</b> | <b>Exercised</b> | <b>Other</b>   | <b>30-06-23</b> | <b>during the</b> | <b>and</b>         |
|                     |                 |                 |                  |                |                 | <b>year</b>       | <b>exercisable</b> |
| C. Jones            | 4,000,000       | -               | -                | (4,000,000)    | -               | -                 | -                  |
| T. French (i)       | 5,000,000       | -               | -                | -              | 5,000,000       | 1,500,000         | 3,500,000          |
| T. Gardiner         | 2,000,000       | -               | -                | (2,000,000)    | -               | -                 | -                  |
| J. Downes (ii)      | -               | 2,000,000       | -                | -              | 2,000,000       | 2,000,000         | 2,000,000          |
|                     | 11,000,000      | 2,000,000       | -                | (6,000,000)    | 7,000,000       | 3,500,000         | 5,500,000          |

- (i) Ms French was issued with a total of 5 million options as approved by shareholders on 19 November 2021. 2,000,000 options were exercisable at \$0.067 on or before 19 November 2023 (expired), 1,500,000 options are exercisable at \$0.056 on or before 12 October 2024 and 1,500,000 options are exercisable at \$0.056 on or before 12 October 2025
- (ii) Mr Downes was issued with 2 million options as approved by shareholders on 18 November 2022. Options are exercisable at \$0.047 on or before 25 November 2025.

As approved by shareholders on 19 November 2021, 5 million Performance Rights were awarded to Ms French and will expire on 11 October 2025.

#### End of Remuneration Report (Audited).

## DIRECTORS' REPORT

### Cazaly Resources Limited Annual Report 2024

---

#### 12. INDEMNIFYING OFFICERS OR DIRECTORS

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Director and Officer, or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by them in their capacity as an Officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. No indemnification has been paid with respect to the Company's auditor.

The Company has insurance policies in place for all Directors and Officers.

#### 13. OPTIONS

##### Unquoted options forfeited or cancelled

During, or since the end of the financial year, no options were forfeited or cancelled.

##### Unquoted options expired or lapsed

On 19 November 2023, 2 million options (exercisable at \$0.067) expired.

On 11 June 2024, 500,000 options (exercisable at \$0.066) expired.

##### Options on issue

At the date of this report the Company had the following options on issue:

| Expiry Date  | Exercise Price | Options on Issue |
|--------------|----------------|------------------|
| 12/10/24     | \$0.056        | 1,500,000        |
| 12/10/25     | \$0.056        | 1,500,000        |
| 5/8/24       | \$0.06         | 500,000          |
| 25/11/25     | \$0.047        | 2,000,000        |
| 13/12/26 (i) | \$0.045        | 5,000,000        |

- (i) Issued to Barclay Wells as part of the Lead Manager's fee for the placement announced 27 November 2023.

Option holders do not have any rights to participate in any issue of shares or other interests in the Company or any other entity.

#### 14. PROCEEDINGS ON BEHALF OF GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

#### 15. AUDITORS INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2024 has been received and can be found on page 21.

#### 16. NON-AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services performed during the year by the Group's auditors is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. No other fees were paid or payable to the auditors for non-audit services performed during the year ended 30 June 2024.

## DIRECTORS' REPORT

### Cazaly Resources Limited Annual Report 2024

---

This report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.



**Tara French**  
**Managing Director**  
**20 September 2024**

#### Competent Persons Statements

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.

*The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have also not materially changed from the original market announcements. Copies of all referenced announcements are available to view at <https://www.cazalyresources.com.au>*

#### Forward Looking Statement

This half year report may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Cazaly Resources Ltd'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 Ltd 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 half year report reflect views held only as at the date of this half year report.



To the Board of Directors

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the audit of the financial statements of Cazaly Resources Limited for the financial year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully

*Hall Chadwick*  
HALL CHADWICK WA AUDIT PTY LTD

*Mark Delaurentis*  
MARK DELAURENTIS CA  
Director

Dated this 20<sup>th</sup> day of September 2024  
Perth, Western Australia

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
For Year Ended 30 June 2024**

|                                                                               | <b>Note</b> | <b>2024<br/>\$</b> | <b>2023<br/>\$</b> |
|-------------------------------------------------------------------------------|-------------|--------------------|--------------------|
| Revenue from continuing operations                                            | 2           | 297,466            | 308,958            |
| Gain/(Loss) on sale of financials assets                                      |             | 675,625            | (63,562)           |
| Other Income                                                                  | 2           | 53,335             | 241,912            |
| Employee benefits                                                             |             | (547,035)          | (544,194)          |
| Finance Costs                                                                 |             | (14,991)           | (3,109)            |
| Depreciation                                                                  |             | (100,503)          | (80,044)           |
| Administrative expenses                                                       | 3           | (458,895)          | (435,493)          |
| Compliance and regulatory expenses                                            | 3           | (222,645)          | (223,607)          |
| Occupancy expenses                                                            |             | (93,290)           | (85,169)           |
| Written-off exploration expenditure                                           |             | (178,431)          | (636,964)          |
| Equity based payments                                                         |             | (52,722)           | (29,270)           |
| Impairment of financial assets                                                |             | (250,167)          | (574,414)          |
| Profit/(loss) before income tax                                               |             | (892,253)          | (2,124,956)        |
| Income tax (expense)/ benefit                                                 | 6           | -                  | -                  |
| Profit/(loss) for the year from continuing operations                         |             | (892,253)          | (2,124,956)        |
| Other comprehensive income                                                    |             | -                  | -                  |
| <b>Total comprehensive income/(loss) for the year</b>                         |             | <b>(892,253)</b>   | <b>(2,124,956)</b> |
| Earnings/(loss) for the year attributable to:                                 |             |                    |                    |
| Members of the parent entity                                                  |             | (891,451)          | (2,124,956)        |
| Non-controlling interest                                                      |             | (802)              | -                  |
|                                                                               |             | <b>(892,253)</b>   | <b>(2,124,956)</b> |
| Total comprehensive income/(loss) attributable to:                            |             |                    |                    |
| Members of the parent entity                                                  |             | (892,253)          | (2,124,956)        |
| Non-controlling interest                                                      |             | -                  | -                  |
|                                                                               |             | <b>(892,253)</b>   | <b>(2,124,956)</b> |
| <u>Earnings/(loss) per share from continuing and discontinuing operations</u> |             |                    |                    |
|                                                                               |             |                    | <b>Cents</b>       |
| Basic weighted average earnings/(loss) per share                              | 18          | (0.21)             | (0.57)             |
| Diluted weighted average earnings/(loss) per share                            | 18          | (0.21)             | (0.57)             |

*The accompanying notes form part of these financial statements.*

**CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION**  
**As at 30 June 2024**

|                                      | <b>Note</b> | <b>2024</b>       | <b>2023</b>       |
|--------------------------------------|-------------|-------------------|-------------------|
|                                      |             | <b>\$</b>         | <b>\$</b>         |
| <b>CURRENT ASSETS</b>                |             |                   |                   |
| Cash and cash equivalents            | 7           | 5,033,336         | 3,818,431         |
| Trade and other receivables          | 8           | 35,760            | 23,844            |
| Prepayments                          |             | 5,245             | -                 |
| <b>TOTAL CURRENT ASSETS</b>          |             | <b>5,074,341</b>  | <b>3,842,275</b>  |
| <b>NON-CURRENT ASSETS</b>            |             |                   |                   |
| Trade and other receivables          | 8           | 60,319            | 49,679            |
| Financial assets                     | 9           | 588,949           | 2,868,117         |
| Property, plant and equipment        | 10          | 14,016            | 20,571            |
| Exploration and evaluation assets    | 11          | 10,195,974        | 7,537,894         |
| Rights of use assets                 | 27          | 200,287           | 11,637            |
| <b>TOTAL NON-CURRENT ASSETS</b>      |             | <b>11,059,545</b> | <b>10,487,898</b> |
| <b>TOTAL ASSETS</b>                  |             | <b>16,133,886</b> | <b>14,330,173</b> |
| <b>CURRENT LIABILITIES</b>           |             |                   |                   |
| Trade and other payables             | 12          | 103,592           | 183,917           |
| Provisions                           | 13          | 79,412            | 105,700           |
| Lease liability                      | 27          | 95,199            | 7,052             |
| <b>TOTAL CURRENT LIABILITIES</b>     |             | <b>278,203</b>    | <b>296,669</b>    |
| <b>NON-CURRENT LIABILITIES</b>       |             |                   |                   |
| Lease liability                      | 27          | 113,312           | -                 |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |             | <b>113,312</b>    | <b>-</b>          |
| <b>TOTAL LIABILITIES</b>             |             | <b>391,515</b>    | <b>296,669</b>    |
| <b>NET ASSETS</b>                    |             | <b>15,742,371</b> | <b>14,033,504</b> |
| <b>EQUITY</b>                        |             |                   |                   |
| Issued capital                       | 14          | 29,420,419        | 26,872,021        |
| Reserves                             | 15          | 532,214           | 503,690           |
| Accumulated losses                   | 16          | (14,193,834)      | (13,326,581)      |
| Controlling entity interest          |             | 15,758,799        | 14,049,130        |
| Non-controlling interest             |             | (16,428)          | (15,626)          |
| <b>TOTAL EQUITY</b>                  |             | <b>15,742,371</b> | <b>14,033,504</b> |

*The accompanying notes form part of these financial statements.*

**CONSOLIDATED STATEMENT OF  
CHANGES IN EQUITY  
For the year ended 30 June 2024**

|                                                                                            | Issued Capital    | (Accumulated<br>Losses) | Option<br>Reserve | Non-<br>Controlling<br>Interest | Total              |
|--------------------------------------------------------------------------------------------|-------------------|-------------------------|-------------------|---------------------------------|--------------------|
|                                                                                            | \$                | \$                      | \$                | \$                              | \$                 |
| <b>Balance at 30 June 2022</b>                                                             | <b>26,674,021</b> | <b>(11,457,063)</b>     | <b>729,858</b>    | <b>(15,626)</b>                 | <b>15,931,190</b>  |
| Earnings/(loss) for the year                                                               | -                 | (2,124,956)             | -                 | -                               | (2,124,956)        |
| Other comprehensive income<br>for the year                                                 | -                 | -                       | -                 | -                               | -                  |
| <b>Total comprehensive<br/>income/(loss) for the year</b>                                  | <b>-</b>          | <b>(2,124,956)</b>      | <b>-</b>          | <b>-</b>                        | <b>(2,124,956)</b> |
| <b>Transactions with owners, in<br/>their capacity as owners, and<br/>other transfers:</b> |                   |                         |                   |                                 |                    |
| Shares issued                                                                              | 30,000            | -                       | -                 | -                               | 30,000             |
| Shares to be issued                                                                        | 168,000           | -                       | -                 | -                               | 168,000            |
| Share issue costs                                                                          | -                 | -                       | -                 | -                               | -                  |
| Options expired                                                                            | -                 | 255,438                 | (255,438)         | -                               | -                  |
| Option reserve                                                                             | -                 | -                       | 29,270            | -                               | 29,270             |
| <b>Balance at 30 June 2023</b>                                                             | <b>26,872,021</b> | <b>(13,326,581)</b>     | <b>503,690</b>    | <b>(15,626)</b>                 | <b>14,033,504</b>  |
| Earnings/(loss) for the year                                                               | -                 | (891,451)               | -                 | (802)                           | (892,253)          |
| Other comprehensive income<br>for the year                                                 | -                 | -                       | -                 | -                               | -                  |
| <b>Total comprehensive<br/>income/(loss) for the year</b>                                  | <b>26,872,021</b> | <b>(14,218,032)</b>     | <b>503,690</b>    | <b>(16,428)</b>                 | <b>13,141,251</b>  |
| <b>Transactions with owners, in<br/>their capacity as owners, and<br/>other transfers:</b> |                   |                         |                   |                                 |                    |
| Shares issued                                                                              | 2,835,733         | -                       | -                 | -                               | 2,835,733          |
| Shares to be issued                                                                        | (168,000)         | -                       | -                 | -                               | (168,000)          |
| Share issue costs                                                                          | (119,335)         | -                       | -                 | -                               | (119,335)          |
| Options expired                                                                            | -                 | 24,198                  | (24,198)          | -                               | -                  |
| Option reserve                                                                             | -                 | -                       | 52,722            | -                               | 52,722             |
| <b>Balance at 30 June 2024</b>                                                             | <b>29,420,419</b> | <b>(14,193,834)</b>     | <b>532,214</b>    | <b>(16,428)</b>                 | <b>15,742,371</b>  |

*The accompanying notes form part of these financial statements.*

**CONSOLIDATED CASH FLOW  
STATEMENT**  
**For the year ended 30 June 2024**

|                                                                     | <b>Note</b> | <b>2024</b><br>\$ | <b>2023</b><br>\$ |
|---------------------------------------------------------------------|-------------|-------------------|-------------------|
| <b>Cash Flows from Operating Activities</b>                         |             |                   |                   |
| Receipts from services agreements                                   |             | 118,196           | 185,695           |
| Payments to suppliers and employees                                 |             | (1,417,615)       | (1,082,639)       |
| Interest received and bill discounts received                       |             | 155,559           | 123,262           |
| <i>Net cash used in operating activities</i>                        | 19          | (1,143,860)       | (773,682)         |
| <b>Cash Flows from Investing Activities</b>                         |             |                   |                   |
| Purchase of equity investments                                      |             | (258,500)         | (231,651)         |
| Payments for exploration and evaluation                             |             | (1,755,876)       | (2,896,251)       |
| Payments for purchase of exploration assets                         |             | (449,009)         | (303,428)         |
| Proceeds from sale of equity investments                            |             | 2,963,125         | 602,584           |
| Proceeds from term deposit bond                                     |             | (10,640)          | -                 |
| <i>Net cash used in investing activities</i>                        |             | 489,100           | (2,828,746)       |
| <b>Cash Flows from Financing Activities</b>                         |             |                   |                   |
| Proceeds from issue of share                                        |             | 1,989,000         | -                 |
| Share issue costs                                                   |             | (119,335)         | -                 |
| <i>Net cash provided by financing activities</i>                    |             | 1,869,665         | -                 |
| <b>Net increase/(decrease) in cash held</b>                         |             | 1,214,905         | (3,082,878)       |
| <b>Cash and cash equivalents at beginning of the financial year</b> |             | <b>3,818,431</b>  | <b>6,901,309</b>  |
| <b>Cash and cash equivalents at end of the financial year</b>       | 7           | <b>5,033,336</b>  | <b>3,818,431</b>  |

*The accompanying notes form part of these financial statements.*



**1. STATEMENT OF MATERIAL ACCOUNTING POLICIES**

These consolidated financial statements and notes represent those of Cazaly Resources Limited (**the Company** or **Cazaly**) and its controlled entities (**the Group**). Cazaly Resources Limited is a listed public company, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 20 September 2024 by the Directors of the Company.

**Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out in accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

These financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**Going Concern**

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss after tax for the year of \$892,253 (2023: \$2,124,956) and net cash outflows from operating activities of \$1,143,860 (2023: \$773,682). There was a working capital surplus of \$4,796,138 at 30 June 2024 compared to a surplus of \$3,545,606 at 30 June 2023. The Company also has access to financial assets that are valued at \$588,949 (2023: \$2,868,117).

Pending the outcome of various transactions, the Group could have tenement and exploration commitments of \$1,807,926 (2023: \$974,256) due within the next twelve months.

The Directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report. Based on the cash flow forecasts and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate because:

- the Directors have an appropriate plan to raise additional funds as and when it is required. Considering the Group's current exploration projects, the Directors believe that the additional capital required can be raised in the market; and
- the Directors have an appropriate plan to contain certain operating and exploration expenditure if appropriate funding is unavailable; and
- the Directors will divest its interest in financial assets held for trading as and when required to fund ongoing expenditure.

**(a) Principles of Consolidation**

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by the Company at the end of the reporting period. A controlled entity is any entity over which the Company has the power to govern the financial and operating policies to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

---

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities, at 30 June 2024 is contained in Note 21 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the Group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the Company.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the Equity section of the consolidated Statement of Financial Position and Statement of Profit or Loss and other Comprehensive Income. The non-controlling interest in the net assets comprises their interests at the date of the original business combination and their share of changes in equity since that date.

#### **(b) Plant and Equipment**

Plant and equipment are stated at cost less accumulated depreciation and impairment. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed based on the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

#### **(c) Depreciation**

Depreciation is provided on plant and equipment. Depreciation is calculated on a straight-line basis to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value.

The depreciation rates used for each class of depreciable assets are plant and equipment (40%), office furniture and equipment (18%) and motor vehicles (22.5%).

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The value for office furniture and equipment was written down to nil at 30 June 2024.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Profit or Loss and other Comprehensive Income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

#### **(d) Exploration, Evaluation and Development Expenditure**

Costs incurred during exploration and evaluations relating to an area of interest are accumulated. Costs are carried forward to the extent they are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not yet reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. In these instances, the entity must have rights of tenure to the area of interest and must be continuing to undertake exploration operations in the area.

Accumulated costs carried forward in respect of an area of interest that is abandoned are written off in full against profit in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest will be amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

Costs of site restoration are provided over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been estimated of future costs, current legal requirements and technology on an undiscounted basis.

**(e) Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to entities in the consolidated group are classified as finance leases. Finance leases are capitalised by recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**(f) Financial Instruments****Financial Assets**Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and

either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive outstanding contractual amounts in full before considering any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## **Financial Liabilities**

### Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognised at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables.

### **(g) Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term highly liquid investments with maturity dates of three to six months or less.

### **(h) Trade and Other Receivables**

Trade receivables, which generally have 30–60-day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the entity will not be able to collect the debts. Bad debts are written off when identified.

### **(i) Revenue and Other Income**

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

#### *Operating revenue*

Revenue from the rendering of services is recognised upon the delivery of the service to the customer.

#### *Interest revenue*

Interest revenue is recognised using the effective interest rate method.

### **(j) Impairment of Assets**

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in profit or loss unless the asset is carried at a revalued amount in accordance with another standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

**(k) Goods and Services Tax (GST)**

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**(l) Taxation**

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

The current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled, and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation, and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Cazaly and its wholly owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation.

**(m) Trade and Other Payables**

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid and arise when the company becomes obliged to make future payments in respect of the purchase of these goods and services.

**(n) Provisions**

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

**(o) Share Based Payments**

The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the good or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is shown in the option reserve.

The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

**(p) Issued Capital**

Issued and paid-up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

**(q) Earnings Per Share**

Basic earnings per share is calculated as net earnings attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for a bonus element.

Diluted earnings per share is calculated as net earnings attributable to members, adjusted for costs of servicing equity (other than dividends) and preference share dividends; the after tax effect of dividends and interest associated with dilutive potential ordinary shares that would have been recognised as expenses; and other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

**(r) Employee Benefits**

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.



**(s) Interest in Joint Operations**

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

its assets, including its share of any assets held jointly;

- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the AASBs applicable to the particular assets, liabilities, revenues and expenses.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

**(t) Critical Accounting Estimates and Judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

*Key Judgements – Exploration and evaluation expenditure*

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance sheet date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in note 1(d).

*Key Judgements – Share based payment transactions*

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model.

*Key Judgments – Environmental issues*

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the company's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

*Key Estimate – Taxation*

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates consider both the financial performance and position of the company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

**(u) Fair value measurements**

The Group measures and recognises the asset, 'Financial assets held for trading' at fair value on a recurring basis after initial recognition.

The Group does not subsequently measure any liabilities at fair value on a non-recurring basis.

**(i) Fair Value Hierarchy**

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

| Level 1                                                                                                                                                    | Level 2                                                                                                                                                  | Level 3                                                               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. | Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. | Measurements based on unobservable inputs for the asset or liability. |

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

**(ii) Valuation techniques**

The Company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation technique selected by the Company is the *Market approach whereby* valuation techniques use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

When selecting a valuation technique, the Company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following table provides the fair values of the Company's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

| 30 June 2024                                                  |      |               |               |               |             |
|---------------------------------------------------------------|------|---------------|---------------|---------------|-------------|
| Recurring fair value measurements                             | Note | Level 1<br>\$ | Level 2<br>\$ | Level 3<br>\$ | Total<br>\$ |
| <i>Financial assets at fair value through profit or loss:</i> |      |               |               |               |             |
| - Australian listed shares at fair value                      |      | 588,949       | -             | -             | 588,949     |
|                                                               |      | 588,949       | -             | -             | 588,949     |
| 30 June 2023                                                  |      |               |               |               |             |
| Recurring fair value measurements                             | Note | Level 1<br>\$ | Level 2<br>\$ | Level 3<br>\$ | Total<br>\$ |
| <i>Financial assets at fair value through profit or loss:</i> |      |               |               |               |             |
| - Australian listed shares at fair value                      |      | 2,868,117     | -             | -             | 2,868,117   |
|                                                               |      | 2,868,117     | -             | -             | 2,868,117   |

**(v) Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*Group as a lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

*i) Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets (office premises) are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. This is 3 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

*ii) Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Interest-bearing loans and borrowings, refer note 27.

*iii) Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

---

#### *Group as a lessor*

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

#### **(w) New, revised or amending accounting standards and interpretations adopted**

##### Adoption of new and revised Accounting Standards

The Group has adopted all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations.

##### Standards and Interpretations in issue not yet adopted

The Group has reviewed the new and revised Standards and Interpretations on issue not yet adopted for the year ended 30 June 2024 and determined that there is no material impact of the Standards and Interpretations in issue not yet adopted by the Company.

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

|                                           | 2024           | 2023           |
|-------------------------------------------|----------------|----------------|
|                                           | \$             | \$             |
| <b>2. REVENUE &amp; OTHER INCOME</b>      |                |                |
| <b>Revenue from Continuing Operations</b> |                |                |
| - interest received                       | 155,559        | 123,262        |
| - recoupment of office costs on-charged   | 141,907        | 185,696        |
|                                           | <u>297,466</u> | <u>308,958</u> |
| <b>Other Income</b>                       |                |                |
| - government grant received               | -              | 162,397        |
| - other                                   | 53,335         | 79,515         |
|                                           | <u>53,335</u>  | <u>241,912</u> |

### 3. PROFIT/(LOSS) FOR THE YEAR

Profit/(loss) before income tax from continuing operations includes the following specific expenses:

#### Expenses

|                                      |                |                |
|--------------------------------------|----------------|----------------|
| Administrative expenses              |                |                |
| Consulting                           | 42,093         | 81,188         |
| Advertising, printing and stationery | 7,596          | 63,912         |
| Travel and accommodation             | 37,743         | 51,762         |
| Memberships                          | 40,122         | 35,261         |
| Insurance                            | 73,467         | 39,831         |
| Other                                | 257,874        | 163,539        |
|                                      | <u>458,895</u> | <u>435,493</u> |
| Compliance and regulatory expenses   |                |                |
| ASX, ASIC, registry and secretarial  | 203,159        | 156,647        |
| Legal                                | 19,486         | 66,960         |
|                                      | <u>222,645</u> | <u>223,607</u> |
| Employee Benefits                    |                |                |
| Superannuation                       | 90,007         | 91,354         |

### 4. KEY MANAGEMENT PERSONNEL

#### Interests of Key Management Personnel

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Company's key management personnel for the year ended 30 June 2024. The totals of remuneration paid to key management personnel of the Company during the year are as follows:

|                              |                |                |
|------------------------------|----------------|----------------|
| Short-term employee benefits | 518,000        | 530,000        |
| Post-employment benefits     | 50,160         | 46,200         |
| Termination benefits         | -              | -              |
| Other long-term benefits     | -              | -              |
| Share based payments         | -              | 29,270         |
|                              | <u>568,160</u> | <u>605,470</u> |

A total of \$130,333 (2023: \$280,174) was capitalised to exploration expenditure.

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

#### **Related Party Information**

The Company received a total of \$Nil (2023: \$69,883) under an Office Services Agreement with Galan Lithium Ltd. Galan Lithium Ltd is considered by the Company to be a related Party, as a Galan Non-Executive Director, Mr Terry Gardiner, is also a director of Cazaly Resources Ltd. The agreement was terminated on 31 January 2023.

The Company paid \$57,480 (2023: \$57,480) for the provision of Company Secretarial services to Galan Lithium Ltd. Galan Lithium Ltd is considered by the Company to be a related Party, as a Galan Non-Executive Director, Mr Terry Gardiner, is also a director of Cazaly Resources Ltd.

The Company paid \$119,335 (2023: \$Nil) for the provision of Lead Manager services to Barclay Wells Ltd. Barclay Wells is considered to be a related Party, as a Barclay Wells executive director, Mr Terry Gardiner, is also a director of Cazaly Resources Ltd.

|                                                                                                                                    | <b>2024</b>        | <b>2023</b>        |
|------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
|                                                                                                                                    | <b>\$</b>          | <b>\$</b>          |
| <b>5. AUDITORS REMUNERATION</b>                                                                                                    |                    |                    |
| Remuneration of the auditor for:                                                                                                   |                    |                    |
| - Auditing or reviewing the financial report                                                                                       | 24,379             | 29,933             |
|                                                                                                                                    | <u>24,379</u>      | <u>29,933</u>      |
| <b>6. INCOME TAX EXPENSE</b>                                                                                                       |                    |                    |
| The components of the tax expense/(income) comprise:                                                                               |                    |                    |
| Current tax                                                                                                                        | -                  | -                  |
| Deferred tax                                                                                                                       | -                  | -                  |
|                                                                                                                                    | <u>-</u>           | <u>-</u>           |
| (a) The prima facie tax on profits/(losses) from ordinary activities before income tax is reconciled to the income tax as follows: |                    |                    |
| Profit/(loss) from continuing operations                                                                                           | (892,253)          | (2,124,956)        |
| Prima facie tax benefit on loss from ordinary activities before income tax at 25% (2023: 25%)                                      | <u>(223,063)</u>   | <u>(531,239)</u>   |
| Add/(subtract):                                                                                                                    |                    |                    |
| Tax effect of:                                                                                                                     |                    |                    |
| Other non-allowable items                                                                                                          | 21,000             | 47,618             |
| Effect of tax losses derecognised                                                                                                  | 300,593            | 244,063            |
| Derecognition of previously recognised tax losses                                                                                  | -                  | -                  |
| Current year capital losses not recognised                                                                                         | 15,900             | -                  |
| Tax benefit of deductible equity raising costs                                                                                     | -                  | (2,250)            |
| Movement in unrecognised temporary differences                                                                                     | <u>(244,430)</u>   | <u>241,807</u>     |
| Income tax expense (benefit) attributable to entity                                                                                | <u>-</u>           | <u>-</u>           |
| (b) Recognised deferred tax assets at 25% (2023: 25%) comprise the following:                                                      |                    |                    |
| Carry forward revenue losses                                                                                                       | 1,335,668          | 932,268            |
| Capital raising and future black hole deductions                                                                                   | 6,952              | 14,089             |
| Provisions and accruals                                                                                                            | 120,728            | 124,425            |
| Other                                                                                                                              | <u>114,406</u>     | <u>56,107</u>      |
|                                                                                                                                    | 1,577,754          | 1,126,889          |
| Less: Set off of deferred tax liabilities                                                                                          | <u>(1,577,754)</u> | <u>(1,126,889)</u> |
|                                                                                                                                    | <u>-</u>           | <u>-</u>           |



## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

|                                                                                                                                           | 2024<br>\$  | 2023<br>\$  |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| Recognised deferred tax assets at 25% (2023: 25%) comprise the following:                                                                 |             |             |
| Prepayments                                                                                                                               | (1,311)     | -           |
| Exploration expenditure                                                                                                                   | (1,526,371) | (1,125,743) |
| ROU assets                                                                                                                                | (50,072)    | (1,146)     |
|                                                                                                                                           | (1,577,754) | (1,126,889) |
| Less: Set off of deferred tax asset                                                                                                       | 1,577,754   | 1,126,889   |
|                                                                                                                                           | -           | -           |
| (c) Deferred tax recognised directly in equity:                                                                                           |             |             |
| Relating to equity raising costs                                                                                                          | -           | -           |
|                                                                                                                                           | -           | -           |
| (d) Unrecognised deferred tax assets at 25% (2023: 23%) comprise the following:                                                           |             |             |
| Deferred tax assets have not been recognized in respect to the following as they are not considered to have met the recognition criteria: |             |             |
| Deductible temporary differences                                                                                                          | 419,184     | 464,296     |
| Tax capital losses                                                                                                                        | 145,900     | -           |
| Tax revenue losses                                                                                                                        | 2,146,240   | 2,025,081   |
|                                                                                                                                           | 2,711,324   | 2,489,377   |

The corporate tax rates on both recognised and unrecognised deferred tax assets and deferred tax liabilities have been calculated with respect to the tax rate that is expected to apply in the year the deferred tax asset is realised, or the liability is settled.

#### 7. CASH AND CASH EQUIVALENTS

|              |           |           |
|--------------|-----------|-----------|
| Cash at bank | 5,033,136 | 3,818,231 |
| Petty cash   | 200       | 200       |
|              | 5,033,336 | 3,818,431 |

#### 8. TRADE AND OTHER RECEIVABLES

##### Current

|                   |        |        |
|-------------------|--------|--------|
| Trade receivables | 23,711 | 5,584  |
| Other receivables | 12,049 | 18,260 |
|                   | 35,760 | 23,844 |

Other receivables normally have 30–60-day terms. At 30 June 2024, \$Nil (2023: \$36,916) is receivable from companies related to the Directors.

##### Non-Current

|       |        |        |
|-------|--------|--------|
| Bonds | 60,319 | 49,679 |
|       | 60,319 | 49,679 |

Bonds are term deposits, held by way of bank guarantee.

#### 9. FINANCIAL ASSETS

##### Current

Financial assets, at fair value through profit or loss:

|                                        |         |           |
|----------------------------------------|---------|-----------|
| Australian listed shares at fair value | 588,949 | 2,868,117 |
|                                        | 588,949 | 2,868,117 |

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

|                                          | 2024<br>\$    | 2023<br>\$    |
|------------------------------------------|---------------|---------------|
| <b>10. PROPERTY, PLANT AND EQUIPMENT</b> |               |               |
| Plant and Equipment                      |               |               |
| At cost                                  | 351,386       | 351,386       |
| Accumulated depreciation                 | (339,467)     | (333,521)     |
|                                          | <u>11,919</u> | <u>17,865</u> |
| Motor Vehicle                            |               |               |
| At cost                                  | 65,878        | 65,878        |
| Accumulated depreciation                 | (63,781)      | (63,172)      |
|                                          | <u>2,097</u>  | <u>2,706</u>  |
|                                          | <u>14,016</u> | <u>20,571</u> |

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year.

|                                        | 2024                      |                      |               |
|----------------------------------------|---------------------------|----------------------|---------------|
|                                        | Plant and Equipment<br>\$ | Motor Vehicles<br>\$ | Total<br>\$   |
| Balance at the beginning of the year   | 17,865                    | 2,706                | 20,571        |
| Additions                              | -                         | -                    | -             |
| Disposals/write offs                   | -                         | -                    | -             |
| Depreciation expense                   | (5,946)                   | (609)                | (6,555)       |
| Carrying amount at the end of the year | <u>11,919</u>             | <u>2,097</u>         | <u>14,016</u> |

|                                        | 2023                      |                      |               |
|----------------------------------------|---------------------------|----------------------|---------------|
|                                        | Plant and Equipment<br>\$ | Motor Vehicles<br>\$ | Total<br>\$   |
| Balance at the beginning of the year   | 27,261                    | 3,489                | 30,750        |
| Additions                              | -                         | -                    | -             |
| Disposals/write offs                   | -                         | -                    | -             |
| Depreciation expense                   | (9,396)                   | (783)                | (10,179)      |
| Carrying amount at the end of the year | <u>17,865</u>             | <u>2,706</u>         | <u>20,571</u> |

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

|                                                                       | 2024<br>\$ | 2023<br>\$ |
|-----------------------------------------------------------------------|------------|------------|
| <b>11. EXPLORATION AND EVALUATION ASSETS</b>                          |            |            |
| <b>Non-Current</b>                                                    |            |            |
| Costs carried forward in respect of areas of interest in:             |            |            |
| Exploration and evaluation phases at cost                             | 10,195,974 | 7,537,894  |
| <b>Movement – exploration and evaluation</b>                          |            |            |
| Brought forward                                                       | 7,537,893  | 5,335,775  |
| Exploration expenditure capitalised during the year                   | 1,708,775  | 2,367,655  |
| Acquisitions                                                          | 1,127,737  | 471,428    |
| Exploration expenditure capitalised on tenements sold during the year | -          | -          |
| Capitalised expenditure on tenements sold                             | -          | -          |
| Exploration expenditure written off                                   | (178,431)  | (636,964)  |
|                                                                       | 10,195,974 | 7,537,894  |

Exploration expenditure, including tenement acquisitions, totalled \$2,836,512 for the year (2023: \$2,839,083). The main expenditure was on its new Canadian projects, the continued good standing of Ashburton and Halls Creek tenements and new project generation. Exploration expenditure written off for the year was \$178,341 (2023: \$636,964) and related to new project generation costs and expenditures associated with various projects, tenements and applications that were relinquished or written off during the financial year.

The value of the Group's interest in exploration expenditure is dependent upon:

- the continuance of the Group's rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

## 12. TRADE AND OTHER PAYABLES

### Current

|                                      |         |         |
|--------------------------------------|---------|---------|
| Trade creditors                      | 41,417  | 114,442 |
| Other creditors and accrued expenses | 62,175  | 69,475  |
|                                      | 103,592 | 183,917 |

Creditors are non-interest bearing and settled on 30–45-day terms.

## 13. PROVISIONS

### Current

|                                  |        |         |
|----------------------------------|--------|---------|
| Provision for annual leave       | 41,459 | 35,918  |
| Provision for long service leave | 37,953 | 69,782  |
|                                  | 79,412 | 105,700 |

**NOTES TO THE FINANCIAL STATEMENTS**  
Cazaly Resources Limited Annual Report 2024

|                                                                              | 2024<br>\$ | 2023<br>\$ |
|------------------------------------------------------------------------------|------------|------------|
| <b>14. ISSUED CAPITAL</b>                                                    |            |            |
| 461,302,991 fully paid ordinary shares (2023: 371,821,793) with no par value | 29,420,419 | 26,872,021 |

**Share Movements**

|                                            | 30 June<br>2024<br>Number | 30 June<br>2024<br>\$ | 30 June<br>2023<br>Number | 30 June 2023<br>\$ |
|--------------------------------------------|---------------------------|-----------------------|---------------------------|--------------------|
| Balance at the beginning of the year       | 371,821,793               | 26,704,021            | 370,821,793               | 26,674,021         |
| Issue of shares – finders fee (i)          | –                         | –                     | 1,000,000                 | 30,000             |
| Issue of shares – finders fee (ii)         | 4,115,663                 | 168,000               | –                         | –                  |
| Issue of shares – Sundown Li Project (iii) | 19,065,535                | 678,733               | –                         | –                  |
| Issue of shares – \$0.03 placement (iv)    | 59,633,333                | 1,789,000             | –                         | –                  |
| Issue of shares – \$0.03 placement (v)     | 6,666,667                 | 200,000               | –                         | –                  |
| Balance at the end of the year             | 461,302,991               | 29,539,754            | 371,821,793               | 26,704,021         |
| Share issue costs                          | –                         | (119,335)             | –                         | –                  |
| Shares to be issued (ii)                   | –                         | –                     | 4,115,663                 | 168,000            |
|                                            | 461,302,991               | 29,420,419            | 375,937,456               | 26,872,021         |

- (i) Shares issued in respect of a finder's fee for the Abenab Project in Namibia.
- (ii) Shares issued to Exiro Minerals Corp (value CDN\$150,000) as part of a consulting and finder's fee agreement in relation to the Company's Canadian projects (shares issued 24 July 2023).
- (iii) Shares issued to lMinerals Corp as per the terms and conditions of an agreement for a 25% interest in the Sundown project in Quebec (shares issued 11 August 2023).
- (iv) Shares issued as per the terms and conditions of a placement announced on 27 November 2023 (56,666,666 shares issued on 6 December 2023 and 2,966,667 shares issued on 7 December 2023).
- (v) Upon receipt of shareholder approval, 6,666,667 shares were issued to a director (Mr Terry Gardiner or his nominee) as per the terms and conditions of a placement announced on 27 November 2023 (shares issued 21 June 2024).

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held. At shareholders meetings each ordinary share is entitled to one vote in proportion to the paid-up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

**Option Movements**

| Exercise Period           | Exercise Price | Number on issue at 30 June 2023 | Issued during the year | Exercised/Expired/Cancelled | Number on issue at 30 June 2024 |
|---------------------------|----------------|---------------------------------|------------------------|-----------------------------|---------------------------------|
| On or before 8/3/24       | \$0.05         | 2,000,000                       | –                      | (2,000,000)                 | –                               |
| On or before 11/6/24      | \$0.066        | 500,000                         | –                      | (500,000)                   | –                               |
| On or before 19/11/23     | \$0.067        | 2,000,000                       | –                      | (2,000,000)                 | –                               |
| On or before 12/10/24     | \$0.056        | 1,500,000                       | –                      | –                           | 1,500,000                       |
| On or before 12/10/25     | \$0.056        | 1,500,000                       | –                      | –                           | 1,500,000                       |
| On or before 5/8/24       | \$0.06         | 500,000                         | –                      | –                           | 500,000                         |
| On or before 25/11/25     | \$0.047        | 2,000,000                       | –                      | –                           | 2,000,000                       |
| On or before 13/12/26 (i) | \$0.045        | –                               | 5,000,000              | –                           | 5,000,000                       |
|                           |                | 10,000,000                      | 5,000,000              | (4,500,000)                 | 10,500,000                      |

- (i) Issued to Barclay Wells as part of the Lead Manager's fee for the placement announced 27 November 2023.

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

#### **Equity Based Payments**

Options are issued to directors, employees and consultants. The options may be subject to performance criteria, and are issued to directors, employees and consultants to increase goal congruence between executives, directors and shareholders. Options carry no dividend or voting rights. The fair value of share options issued during the financial year was \$52,722. Options were issued as part of the Lead Manager's fee and were issued on 14 December 2023.

| Allottee   | Number of Options | Fair Value at Grant Date per Option | Estimated Volatility | Life of Option (years) | Exercise Price | Share Price at Grant Date | Risk Free Interest Rate |
|------------|-------------------|-------------------------------------|----------------------|------------------------|----------------|---------------------------|-------------------------|
| Consultant | 5,000,000         | \$0.010544                          | 70%                  | 3                      | \$0.045        | \$0.029                   | 3.25%                   |

#### **Capital risk management**

The Board controls the capital of the Group in order to provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern. The Group's capital includes ordinary share capital. There are no externally imposed capital requirements. The working capital position of the Group at 30 June 2024 and 30 June 2023 are as follows:

|                             | 2024<br>\$ | 2023<br>\$ |
|-----------------------------|------------|------------|
| Cash and cash equivalents   | 5,033,336  | 3,818,431  |
| Trade and other receivables | 35,760     | 23,844     |
| Financial assets            | 588,949    | 2,868,117  |
| Current liabilities         | (278,203)  | (296,669)  |
| Working capital position    | 5,379,842  | 6,413,723  |

#### **15. OPTION RESERVE**

|                                       |          |           |
|---------------------------------------|----------|-----------|
| Opening balance                       | 503,690  | 729,858   |
| Equity based payments (refer note 14) | 52,722   | 29,270    |
| Transfer to Accumulated Losses        | (24,198) | (255,438) |
| Closing balance                       | 532,214  | 503,690   |

This reserve records the value of equity benefits provided to employees, consultants and directors as part of their remuneration, share based payments to third parties and option consideration for any acquisitions.

#### **16. ACCUMULATED LOSSES**

|                                             |              |              |
|---------------------------------------------|--------------|--------------|
| Opening balance                             | (13,326,581) | (11,457,063) |
| Net earnings/(loss) attributable to members | (891,451)    | (2,124,956)  |
| Transfer from Option Reserve                | 24,198       | 255,438      |
| Closing balance                             | (14,193,834) | (13,326,581) |

#### **17. FINANCIAL RISK MANAGEMENT**

The Group's principal financial instruments comprise receivables, payables, held-for-trading investments, cash and short-term deposits.

The Board of Directors has overall responsibility for the oversight and management of the Group's exposure to a variety of financial risks (including fair value interest rate risk, credit risk, liquidity risk and cash flow interest rate risk). The Group's risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

#### **Maturity profile of financial instruments**

The following tables detail the Group's exposure to interest rate risk as at 30 June 2024 and 30 June 2023:

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

| <b>30 June 2024</b>                      | <b>Floating<br/>Interest<br/>Rate</b> | <b>Fixed<br/>Interest<br/>maturing<br/>in 1 year or<br/>less</b> | <b>Non-<br/>interest<br/>bearing</b> | <b>2024<br/>Total</b> |
|------------------------------------------|---------------------------------------|------------------------------------------------------------------|--------------------------------------|-----------------------|
|                                          | <b>\$</b>                             | <b>\$</b>                                                        | <b>\$</b>                            | <b>\$</b>             |
| <b>Financial assets</b>                  |                                       |                                                                  |                                      |                       |
| Cash and cash equivalents                | 783,136                               | 4,250,000                                                        | 200                                  | 5,033,336             |
| Trade and other receivables              | -                                     | 60,319                                                           | 35,760                               | 96,079                |
| Financial assets – held for trading      | -                                     | -                                                                | 588,949                              | 588,949               |
|                                          | 783,136                               | 4,310,319                                                        | 624,909                              | 5,718,364             |
| Weighted average effective interest rate | 4.18%                                 |                                                                  |                                      |                       |
| <b>Financial Liabilities</b>             |                                       |                                                                  |                                      |                       |
| Trade and other payables                 | -                                     | -                                                                | 103,593                              | 103,593               |
|                                          | -                                     | -                                                                | 103,593                              | 103,593               |

| <b>30 June 2023</b>                      | <b>Floating<br/>Interest<br/>Rate</b> | <b>Fixed<br/>Interest<br/>maturing<br/>in 1 year or<br/>less</b> | <b>Non-<br/>interest<br/>bearing</b> | <b>2023<br/>Total</b> |
|------------------------------------------|---------------------------------------|------------------------------------------------------------------|--------------------------------------|-----------------------|
|                                          | <b>\$</b>                             | <b>\$</b>                                                        | <b>\$</b>                            | <b>\$</b>             |
| <b>Financial assets</b>                  |                                       |                                                                  |                                      |                       |
| Cash and cash equivalents                | 568,231                               | 3,250,000                                                        | 200                                  | 3,818,431             |
| Trade and other receivables              | -                                     | 49,679                                                           | 23,844                               | 73,523                |
| Financial assets – held for trading      | -                                     | -                                                                | 2,868,117                            | 2,868,117             |
|                                          | 568,231                               | 3,299,679                                                        | 2,892,161                            | 6,760,071             |
| Weighted average effective interest rate | 3.57%                                 |                                                                  |                                      |                       |
| <b>Financial Liabilities</b>             |                                       |                                                                  |                                      |                       |
| Trade and other payables                 | -                                     | -                                                                | 183,917                              | 183,917               |
|                                          | -                                     | -                                                                | 183,917                              | 183,917               |

#### Net Fair Values

The carrying value and net fair values of financial assets and liabilities at balance date are:

|                              | <b>2024</b>                |                           | <b>2023</b>                |                           |
|------------------------------|----------------------------|---------------------------|----------------------------|---------------------------|
|                              | <b>Carrying<br/>Amount</b> | <b>Net fair<br/>Value</b> | <b>Carrying<br/>Amount</b> | <b>Net fair<br/>Value</b> |
|                              | <b>\$</b>                  | <b>\$</b>                 | <b>\$</b>                  | <b>\$</b>                 |
| <b>Financial assets</b>      |                            |                           |                            |                           |
| Cash and deposits            | 5,033,336                  | 5,033,336                 | 3,818,431                  | 3,818,431                 |
| Receivables                  | 96,079                     | 96,079                    | 73,523                     | 73,523                    |
| Investment held for trading  | 588,949                    | 588,949                   | 2,868,117                  | 2,868,117                 |
|                              | 5,718,364                  | 5,718,364                 | 6,760,071                  | 6,760,071                 |
| <b>Financial liabilities</b> |                            |                           |                            |                           |
| Payables                     | 103,593                    | 103,593                   | 183,917                    | 183,917                   |
|                              | 103,593                    | 103,593                   | 183,917                    | 183,917                   |

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. All financial instruments measured at fair value are level one, meaning fair value is determined from quoted prices in active markets for identical assets.

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

#### Interest rate risks

The Group's exposure to market interest rates relates to cash deposits held at variable rates. The Board constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions.

#### Credit risk

The maximum exposure to credit risk at balance date is the carrying amount (net of provision of doubtful debts) of those assets as disclosed in the Statement of Financial Position and notes to the financial statements. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the Board. The Board's policy requires that surplus funds are invested with counterparties with a Standard & Poor's rating of at least AA-. The Group's surplus funds are invested with AA- rated financial institutions, the amount is \$5,033,336 (2023: \$3,818,431).

#### Liquidity risk

The responsibility for liquidity risk management rests with the Board. The Group manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly liquid short-term investments.

#### Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### Sensitivity Analysis – Interest Rate Risk

The Company has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

|                                                                                                                              | 2024                 | 2023                 |
|------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
|                                                                                                                              | \$                   | \$                   |
| Change in loss                                                                                                               |                      |                      |
| • Increase in interest rate by 100 basis points                                                                              | 50,178               | 37,921               |
| • Decrease in interest rate by 100 basis points                                                                              | (50,178)             | (37,921)             |
| Change in equity                                                                                                             |                      |                      |
| • Increase in interest rate by 100 basis points                                                                              | 37,921               | 37,921               |
| • Decrease in interest rate by 100 basis points                                                                              | (37,921)             | (37,921)             |
| <b>18. EARNINGS PER SHARE ATTRIBUTABLE TO MEMBERS</b>                                                                        |                      |                      |
| a) Reconciliation of earnings to profit or loss:                                                                             |                      |                      |
| Earnings/(loss) for the year                                                                                                 | (891,451)            | (2,124,956)          |
| Earnings/(loss) used to calculate basic and diluted EPS                                                                      | (891,451)            | (2,124,956)          |
|                                                                                                                              | <b>2024</b>          | <b>2023</b>          |
|                                                                                                                              | <b>No. of Shares</b> | <b>No. of Shares</b> |
| b) Basic and diluted weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS | 461,302,991          | 371,821,793          |



## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

#### 19. CASH FLOW INFORMATION

|                                                                                                   | 2024<br>\$         | 2023<br>\$       |
|---------------------------------------------------------------------------------------------------|--------------------|------------------|
| <b>Reconciliation of cash flows from operating activities with profit/(loss) after income tax</b> |                    |                  |
| Profit/(Loss) after income tax                                                                    | (892,253)          | (2,124,956)      |
| <i>Non-operating cash flows in loss for the year:</i>                                             |                    |                  |
| Depreciation                                                                                      | 100,503            | 80,044           |
| Net (Gain)/ Loss on sale of shares                                                                | (675,625)          | 63,562           |
| Finance costs on lease                                                                            | (86,954)           | (81,662)         |
| Employee & Consultant equity settled transactions                                                 | 52,722             | 29,270           |
| Fair value adjustment to investments                                                              | 250,167            | 574,414          |
| Exploration write-off                                                                             | 178,431            | 636,964          |
| <i>Changes in assets and liabilities:</i>                                                         |                    |                  |
| Decrease/(increase) in trade receivables and prepayments                                          | (11,547)           | 47,247           |
| Increase/(decrease) in trade payables, accruals and employee entitlements                         | (59,304)           | 1,435            |
| <b>Cash outflow from operations</b>                                                               | <b>(1,143,860)</b> | <b>(773,682)</b> |

#### 20. COMMITMENTS

To maintain rights of tenure to mining tenements, the Group would have the following discretionary exploration expenditure requirements up until expiry of leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements and may be payable:

|                                                      |                  |                  |
|------------------------------------------------------|------------------|------------------|
| No longer than one year                              | 1,807,926        | 974,256          |
| Longer than one year, but not longer than five years | 2,294,355        | 3,003,691        |
| Longer than five years                               | -                | 10,924           |
|                                                      | <b>4,102,281</b> | <b>3,988,871</b> |

If the Group decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the statement of financial position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

#### 21. CONSOLIDATED ENTITY DISCLOSURE STATEMENT

| Name                                         | Type of Entity | % Owned | Country of Incorporation | Australian or foreign resident | Foreign tax jurisdiction of foreign residents |
|----------------------------------------------|----------------|---------|--------------------------|--------------------------------|-----------------------------------------------|
| <b>Parent Entity</b>                         |                |         |                          |                                |                                               |
| Cazaly Resources Limited                     | Body corporate | NA      | Australia                | Australia                      | Australia                                     |
| <b>Controlled Entities</b>                   |                |         |                          |                                |                                               |
| Cazaly Iron Pty Ltd                          | Body corporate | 100%    | Australia                | Australia                      | Australia                                     |
| Sammy Resources Pty Ltd                      | Body corporate | 100%    | Australia                | Australia                      | Australia                                     |
| Cazroy Pty Ltd                               | Body corporate | 100%    | Australia                | Australia                      | Australia                                     |
| Baker Fe Pty Ltd                             | Body corporate | 100%    | Australia                | Australia                      | Australia                                     |
| Baldock Fe Pty Ltd                           | Body corporate | 100%    | Australia                | Australia                      | Australia                                     |
| Lockett Fe Pty Ltd                           | Body corporate | 100%    | Australia                | Australia                      | Australia                                     |
| Hase Fe Pty Ltd                              | Body corporate | 100%    | Australia                | Australia                      | Australia                                     |
| Vanrock Resources Pty Ltd                    | Body corporate | 100%    | Australia                | Australia                      | Australia                                     |
| Discovery Minerals Pty Ltd                   | Body corporate | 80%     | Australia                | Australia                      | Australia                                     |
| Kunene North Pty Ltd                         | Body corporate | 100%    | Australia                | Australia                      | Australia                                     |
| Philco One Hundred & Seventy-Three (Pty) Ltd | Body corporate | 95%     | Namibia                  | Foreign                        | Namibia                                       |
| Mulga Minerals Inc                           | Body corporate | 100%    | Canada                   | Foreign                        | Canada                                        |

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

#### 22. OPERATING SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board in assessing performance and determining the allocation of resources. The Group is managed primarily on the basis of its exploration and corporate activities. Operating segments are determined on the same basis.

##### Exploration

Segment assets, including acquisition cost of exploration licenses, all expenses related to the tenements and profit on sale of tenements are reported in this segment.

##### Segment assets and liabilities

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location. Unless indicated otherwise in the segment assets note, deferred tax assets and intangible assets have not been allocated to operating segments.

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables.

##### Unallocated items

Non-recurring items of revenue or expenses are not allocated to operating segments as they are not considered part of the core operations of any segment.

| 2024                                                  | Exploration<br>\$         | Unallocated<br>\$         | Total<br>\$         |
|-------------------------------------------------------|---------------------------|---------------------------|---------------------|
| <b>Revenue</b>                                        |                           |                           |                     |
| Interest received                                     | -                         | 155,559                   | 155,559             |
| Gain on Sale of Shares                                | -                         | 675,625                   | 675,625             |
| Other                                                 | 53,335                    | 141,907                   | 195,242             |
| <b>Total segment revenue</b>                          | 53,335                    | 973,091                   | 1,026,426           |
| <b>Segment net operating profit (loss) before tax</b> | (125,096)                 | (767,157)                 | (892,253)           |
| Depreciation                                          | -                         | 100,503                   | 100,503             |
| Impairment of exploration assets                      | 178,431                   | -                         | 178,431             |
| Share based payments                                  | -                         | 52,722                    | 52,722              |
| <b>Segment assets</b>                                 | 10,195,974                | 5,937,912                 | 16,133,886          |
| Exploration expenditure                               | 10,195,974                | -                         | 10,195,974          |
| Property, plant & equipment                           | -                         | 14,016                    | 14,016              |
| <b>Segment liabilities</b>                            | 112,009                   | 279,509                   | 391,518             |
| <b>2023</b>                                           | <b>Exploration<br/>\$</b> | <b>Unallocated<br/>\$</b> | <b>Total<br/>\$</b> |
| <b>Revenue</b>                                        |                           |                           |                     |
| Interest received                                     | -                         | 123,262                   | 123,262             |
| Other                                                 | 241,912                   | 185,696                   | 427,608             |
| <b>Total segment revenue</b>                          | 241,912                   | 308,958                   | 550,870             |
| <b>Segment net operating profit (loss) before tax</b> | (395,051)                 | (1,729,905)               | (2,124,956)         |
| Depreciation                                          | -                         | 80,044                    | 80,044              |
| Impairment of exploration assets                      | 636,964                   | -                         | 636,964             |
| Share based payments                                  | -                         | 20,571                    | 20,571              |
| <b>Segment assets</b>                                 | 7,537,894                 | 6,792,278                 | 14,330,172          |
| Exploration expenditure                               | 7,537,894                 | -                         | 7,537,894           |
| Property, plant and equipment                         | -                         | 20,571                    | 20,571              |
| <b>Segment liabilities</b>                            | 38,015                    | 258,654                   | 296,669             |

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

|                                                                       | 2024              | 2023               |
|-----------------------------------------------------------------------|-------------------|--------------------|
|                                                                       | \$                | \$                 |
| <b>23. PARENT ENTITY DISCLOSURES</b>                                  |                   |                    |
| <b>(a) Statement of financial position</b>                            |                   |                    |
| <b>Assets</b>                                                         |                   |                    |
| Current assets                                                        | 5,069,402         | 3,817,233          |
| Non-current assets                                                    | 10,313,918        | 8,041,001          |
| <b>Total assets</b>                                                   | <b>15,383,320</b> | <b>11,858,234</b>  |
| <b>Liabilities</b>                                                    |                   |                    |
| Current liabilities                                                   | 278,206           | 296,642            |
| Non-current liabilities                                               | 113,312           | -                  |
| <b>Total liabilities</b>                                              | <b>391,518</b>    | <b>296,642</b>     |
| <b>Equity</b>                                                         |                   |                    |
| Issued capital                                                        | 29,420,419        | 26,872,025         |
| Reserves:                                                             |                   |                    |
| Equity settled employee benefits                                      | 759,128           | 759,128            |
| Retained profits                                                      | (15,187,745)      | (16,069,561)       |
| <b>Total Equity</b>                                                   | <b>14,991,802</b> | <b>11,561,592</b>  |
| <b>(b) Statement of Profit or Loss and Other Comprehensive Income</b> |                   |                    |
| Total profit/ (loss)                                                  | (884,945)         | (1,935,148)        |
| <b>Total comprehensive income</b>                                     | <b>(884,945)</b>  | <b>(1,935,148)</b> |

#### Loans to Controlled Entities

Loans are provided by Cazaly Resources Ltd ('the Parent') to its controlled entities for their respective operating activities. Amounts receivable from controlled entities are non-interest bearing with no fixed term of repayment. The eventual recovery of the loan will be dependent upon the successful commercial application of these projects or the sale to third parties.

## **24. EVENTS SUBSEQUENT TO REPORTING DATE**

The Directors are not aware of any matters or circumstances at the date of the report, other than those referred to in this report or the financial statements or notes thereto, that has significantly affected or may significantly affect the operations, the results of operations or the state of affairs of the Group in subsequent financial years.

## **25. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

### **Contingent Liabilities**

#### **Kaoko Project**

As announced on 26 March 2018, the Company acquired an option to earn the rights to a 95% interest in the Kaoko Project in Namibia. The following contingent liabilities remain for Cazaly's registered 95% interest at 30 June 2024:

#### Under the KDN JV

KDN JV's partner's remaining 5% is free carried to a definitive feasibility study.

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

#### Under the Kunene Purchase Agreement

The Company acquired 100% of the issued capital of Kunene North Pty Ltd and therefore its rights under the KDN JV, and has the following commitments outstanding:

- i) Issue 10.5 million fully paid Cazaly shares upon the delineation of a JORC compliant mineral resource containing at least 10,000t of contained cobalt (or other metal equivalent)
- ii) Pay A\$1 million (or issue fully paid Cazaly shares to that amount) upon a formal Decision to Mine

#### **Halls Creek**

As announced on 12 November 2020, the Company acquired an 80% interest in the Halls Creek project from 3D Resources Limited bringing Cazaly to a 100% interest in the project. There is a contingent liability of \$250,000 due to 3D Resources Limited upon production of minerals in a commercial and saleable quantity and there is a royalty obligation to Vox Royalty Australia Pty Ltd on the tenement (M80/247). The royalty payable is a 1.5% net smelter return of production attributable to the tenement.

#### **Contingent Assets**

##### Parker Range

On 19 August 2019, the sale of Parker Range to Mineral Resources was completed pursuant to which Cazaly is entitled to a royalty at the rate of A\$0.50 for every dry metric tonne of iron ore extracted and removed from the Parker Range area after the first 10 million dry metric tonnes of production.

##### Hamersley

Following the sale of the Hamersley Iron Ore Project in 2021, to Equinox Resources Limited (ASX: EQN), the Company is entitled to 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 of the project.

## **26. SHARE BASED PAYMENTS**

The following table illustrates the number and weighted average exercise prices of and movements in all vested options on issue during the year (please also refer to Note 14 for further details on equity-based payments issued during the year):

|                                                 | 2024              |                                | 2023              |                                |
|-------------------------------------------------|-------------------|--------------------------------|-------------------|--------------------------------|
|                                                 | Number of Options | Weighted Ave Exercise Price \$ | Number of Options | Weighted Ave Exercise Price \$ |
| <b>Balance at beginning of reporting period</b> | 8,500,000         | 0.056                          | 14,500,000        | 0.053                          |
| Expired during the year                         | (4,500,000)       | 0.0593                         | (10,000,000)      | -                              |
| Vested during the year                          | 1,500,000         | 0.056                          | 1,500,000         | 0.056                          |
| Issued during the year                          | 5,000,000         | 0.045                          | 2,500,000         | 0.050                          |
| <b>Balance at end of reporting period</b>       | <u>10,500,000</u> | 0.048                          | <u>8,500,000</u>  | 0.056                          |
| <b>Exercisable at end of reporting period</b>   | <u>10,500,000</u> |                                | <u>8,500,000</u>  |                                |

The options outstanding at 30 June 2024 had a weighted average remaining life of 1.73 years (2023 – 1.17 years). The weighted average fair value of the options outstanding at 30 June 2024 was \$0.015 (2023 – \$0.020).

## NOTES TO THE FINANCIAL STATEMENTS

### Cazaly Resources Limited Annual Report 2024

#### 27. RIGHT OF USE ASSETS AND LEASE LIABILITY

##### Right-of-use assets

|                                     | 2024           | 2023          |
|-------------------------------------|----------------|---------------|
|                                     | \$             | \$            |
| Office lease                        |                |               |
| At carrying amount                  | 11,637         | 81,502        |
| Additions                           | 288,413        | -             |
| Written off – Repairs & Maintenance | (5,815)        | -             |
| Less: Accumulated amortisation      | (93,948)       | (69,865)      |
|                                     | <u>200,287</u> | <u>11,637</u> |

##### Leases

As of 30 June 2024, the net carrying amount of the office held under a lease arrangement is \$208,511 (2023 – \$7,052).

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

|                           |                |              |
|---------------------------|----------------|--------------|
| <b>As at 1 July 2023</b>  | 7,052          | 88,714       |
| Additions                 | 288,413        | -            |
| Accretions of interest    | 13,921         | 3,109        |
| Payments                  | (100,875)      | (84,771)     |
| <b>As at 30 June 2024</b> | <u>208,511</u> | <u>7,052</u> |
| Current                   | 95,199         | 7,052        |
| Non-current               | 113,312        | -            |

The following are the amounts recognised in profit or loss:

|                                           |                |               |
|-------------------------------------------|----------------|---------------|
| Depreciation                              | 93,948         | 69,865        |
| Interest expense on lease liabilities     | 13,921         | 3,109         |
| Total amount recognised in profit or loss | <u>107,869</u> | <u>72,974</u> |

In 2024, the Group had total cash outflows for leases of \$100,875 (2023: \$84,771).

## **DIRECTORS' DECLARATION**

### **Cazaly Resources Limited Annual Report 2024**

---

In accordance with a resolution of the directors of Cazaly Resources Limited, the directors of the Company declare that:

1. the financial statements and notes, as set out, are in accordance with the Corporations Act 2001 and:
  - a. comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
  - b. give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the consolidated group.
2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
3. in the directors' opinion the information disclosed in the consolidated entity disclosure statement in note 21 is true and correct; and
4. the directors have been given the declarations required by s 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer.

**On behalf of the Directors**



**Tara French**  
**Managing Director**  
**20 September 2024**

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAZALY RESOURCES LIMITED

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Cazaly Resources Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the director's declaration.

In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
  - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | How our audit addressed the Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Evaluation and Evaluation Assets</b></p> <p><b>(Refer to Note 11)</b></p> <ul style="list-style-type: none"> <li>• Exploration and evaluation is a key audit matter due to:</li> <li>• The significance of the balance to the Consolidated Entity's financial position.</li> <li>• The level of judgement required in evaluating management's application of the requirements of AASB 6 Exploration for and Evaluation of Mineral Resources. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset.</li> </ul> | <p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>• Assessed management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the consolidated entity holds an interest and the exploration programs planned for those tenements;</li> <li>• For each area of interest, we assessed the Consolidated Entity's rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable;</li> <li>• We tested the additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entity's accounting policy and the requirements of AASB 6;</li> <li>• We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets for each area of interest; and</li> <li>• We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure: <ul style="list-style-type: none"> <li>◦ the licenses for the right to explore expiring in the near future or are not expected to be renewed;</li> </ul> </li> </ul> |

| Key Audit Matter | How our audit addressed the Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  | <ul style="list-style-type: none"> <li>○ substantive expenditure for further exploration in the specific area is neither budgeted or planned;</li> <li>○ decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and</li> <li>○ data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale.</li> </ul> <p>We assessed the appropriateness of the related disclosures in note 11 to the financial statements.</p> |

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error, and the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error. In Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

**Auditor's Opinion**

In our opinion, the Remuneration Report of Cazaly Resources Limited, for the year ended 30 June 2024, complies with section 300A of the Corporations Act 2001.

*Hall Chadwick*  
HALL CHADWICK WA AUDIT PTY LTD

*Mark Delaurentis*  
MARK DELAURENTIS CA  
Director

Dated this 20<sup>th</sup> day of September 2024  
Perth, Western Australia

## ADDITIONAL SHAREHOLDER INFORMATION

### Cazaly Resources Limited Annual Report 2024

Additional information required by Australian Securities Exchange Limited and not shown elsewhere in this Annual Report is as follows. The information is provided as at **16 September 2024**.

#### DETAILS OF HOLDERS OF EQUITY SECURITIES

##### ORDINARY SHAREHOLDERS

There are 461,302,991 fully paid ordinary shares on issue, held by 2,285 shareholders. Each member entitled to vote may vote in person or by proxy or by attorney and on a show of hands every person who is a member or a representative or a proxy of a member shall have one vote and on a poll every member present in person or by proxy or attorney or other authorised representative shall have one vote for each share held.

##### TWENTY LARGEST SHAREHOLDERS

| Ordinary Shareholders                                       | Fully Paid Ordinary<br>Number | %             |
|-------------------------------------------------------------|-------------------------------|---------------|
| Kingsreef Pty Ltd (NB & DL Family A/c)                      | 31,529,841                    | 6.83          |
| Mr Clive Bruce Jones (Alyse Investment A/c)                 | 22,482,040                    | 4.87          |
| ACN 139 886 025 Pty Ltd                                     | 16,117,640                    | 3.49          |
| Mr Terry James Gardiner                                     | 14,666,667                    | 3.18          |
| Jetosea Pty Ltd                                             | 13,826,075                    | 3.00          |
| Raymond Gardener & Hineaka Black (Tumeke S/Fund)            | 10,150,000                    | 2.20          |
| Mr C W Chalwell & Mr I W Wilson (Chalwell Pension Fund A/c) | 9,000,000                     | 1.95          |
| Citicorp Nominees Pty Ltd                                   | 8,422,265                     | 1.83          |
| Mr Derek Patrick Knox                                       | 8,351,822                     | 1.81          |
| Jaz Future Fund Pty Ltd (ARR Superannuation Fund)           | 7,000,000                     | 1.52          |
| Tilpa Pty Ltd (Tilpa Pty Ltd Staff S/F A/c)                 | 6,500,000                     | 1.41          |
| Widerange Corporation Pty Ltd                               | 5,511,667                     | 1.19          |
| Kingsreef Pty Ltd                                           | 5,343,550                     | 1.16          |
| Mr Anthony Robert Ramage                                    | 5,000,000                     | 1.08          |
| Mr Thomas Francis Corr                                      | 5,000,000                     | 1.08          |
| Estate Mr Nathan Bruce McMahon                              | 4,793,755                     | 1.04          |
| BNP Paribas Noms Pty Ltd                                    | 4,461,100                     | 0.97          |
| Brevmar Pty Ltd (Glen Invest S/Fund)                        | 4,200,000                     | 0.91          |
| Cicchino Pty Ltd (Cicchino Share A/c)                       | 4,000,000                     | 0.87          |
| Mr Dion Morrison                                            | 4,000,000                     | 0.87          |
|                                                             | <b>190,356,422</b>            | <b>41.26%</b> |

##### VOTING RIGHTS

Subject to any rights or restrictions for the time being attached to any class or classes (at present there are none) at general meetings of shareholders or classes of shareholders:

- each shareholder entitled to vote, may vote in person or by proxy, attorney or representative;
- on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held, or in respect of which he/she has appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

##### HOLDERS OF NON-MARKETABLE PARCELS

There are 1,398 shareholders who hold less than a marketable parcel of shares.

## ADDITIONAL SHAREHOLDER INFORMATION

### Cazaly Resources Limited Annual Report 2024

---

#### DISTRIBUTION OF SHARE HOLDERS

|                   | Ordinary Shares    |
|-------------------|--------------------|
| 1 to 1,000        | 125,578            |
| 1,001 to 5,000    | 1,495,733          |
| 5,001 to 10,000   | 2,100,778          |
| 10,001 to 100,000 | 30,145,226         |
| 100,001 and over  | 427,426,676        |
|                   | <u>461,302,991</u> |

#### SUBSTANTIAL SHAREHOLDERS

As at report date, the following shareholders are recorded as Substantial Shareholders pursuant to their last notices lodged in accordance with section 671B of the Corporations Act:

| Substantial Shareholder              | Ordinary Shares held |
|--------------------------------------|----------------------|
| Nathan McMahon & associated entities | 37,363,256           |
| Clive Jones & associated entities    | 23,424,904           |

The shares and percentages held, as set out above, are based on the total issued share capital at the date of notification to the Company of the relevant substantial shareholder interest.

#### SHARE BUY-BACKS

There is no current on-market buy-back scheme.

#### OTHER INFORMATION

Cazaly Resources Limited, incorporated and domiciled in Australia, is listed on the Australian Securities Exchange (ASX code: CAZ).



**ADDITIONAL SHAREHOLDER INFORMATION**

## Cazaly Resources Limited Annual Report 2024

**INTEREST IN MINING TENEMENTS AS AT 16 SEPTEMBER 2024****AUSTRALIA**

Managed by the Company:

| Tenement    | Project Name    | Entity | % Interest |
|-------------|-----------------|--------|------------|
| M 80/0247   | Mt Angelo       | Cazaly | 100        |
| E 80/5307   | Halls Creek     | Cazaly | 100        |
| 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        |
| E45/6717 *  | Marble Bar      | Sammy  | 100        |
| E45/6719 *  | Marble Bar      | Sammy  | 100        |
| E45/6721 *  | Marble Bar      | Sammy  | 100        |
| E 52/4234   | Lyons-Bangemall | Sammy  | 100        |
| E 52/4212   | Lyons           | Sammy  | 100        |
| E 52/4040   | Lyons           | Sammy  | 50         |
| E 09/2671   | Lyons           | Sammy  | 50         |
| E 38/3904 * | Virginia Range  | Cazaly | 100        |
| E 47/4979 * | West Pilbara    | Sammy  | 100        |
| E 38/3864 * | Mt Venn         | Sammy  | 100        |
| E38/3865    | Mt Venn         | Sammy  | 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   | Kaoko        | Kunene North | 95         |
| EPL 9110 * | Abenab North | Kunene North | 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        |

## ADDITIONAL SHAREHOLDER INFORMATION

### Cazaly Resources Limited Annual Report 2024

| 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         |
| 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 1254704 B.C. LTD (a)

3 Mining Claims are held 75% by 1Life Holdings Ltd (b)