

## DECEMBER 2021 QUARTERLY REPORT

### Anglo Australian Resources NL

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### Capital Structure (at 31-Dec-2021)

#### Fully Paid Ordinary Shares

596,179,239 Ordinary shares

#### Options

3,000,000	(\$0.135 exp 27-Nov-22)*
1,250,000	(\$0.15 exp 31-Dec-22)
2,000,000	(\$0.213 exp 7-Oct-22)
6,000,000	(\$0.34 exp 31-Dec-22)
3,000,000	(\$0.119 exp 19-Nov-23)

\* - *subject to various vesting terms*

#### Performance Rights \*\*

1,830,780	Incentive 2020A
5,340,074	Incentive 2020B
2,382,216	LTI 2020C
6,954,579	LTI 2020D

\*\* - *subject to various performance and vesting criteria*

### Board Members

#### Leigh Warnick

Non-Executive Chairman

#### Marc Ducler

Managing Director

#### Justin Osborne

Non-Executive Director

#### Peter Stern

Non-Executive Director

#### David Varcoe

Non-Executive Director

### Summary & Highlights

#### MANDILLA GOLD PROJECT – Kalgoorlie, WA

##### AAR - 100% Interest

- ✎ Upgraded JORC 2012 Mineral Resource Estimate (MRE) of **24Mt at 1.0g/t Au for 784koz of contained gold** completed (*announced 18 January 2022*), encompassing the cornerstone Theia and Iris deposits, and an inaugural MRE at the Eos discovery.
- ✎ 21,429 metres of drilling completed, including 7,822 metres of RC drilling, 3,347 metres of diamond drilling and 10,260 metres of AC drilling.
- ✎ To simplify reporting of the growing mineralisation at the Mandilla Project, the Mandilla East and Mandilla South deposits have been renamed Theia and Iris respectively.
- ✎ Assays were reported for 17,471 metres of RC drilling, with key results including:

##### THEIA

- **8m at 10.01g/t Au** from 64m in MDRC452;
- **7m at 6.02g/t Au** from 73m and **2m at 12.52g/t Au** from 158m in MDRC500;
- **37m at 3.07g/t Au** from 89m and **20m at 1.15g/t Au** from 38m in MDRC426;
- **8m at 3.07g/t Au** from 34m and **17m at 1.02g/t Au** from 78m in MDRC490;
- **15m at 1.56g/t Au** from 79m in MDRC508;
- **8m at 1.31g/t Au** from 15m and **6m at 2.23g/t Au** from 32m in MDRC499;
- **19m at 1.26g/t Au** from 30m in MDRC462; and
- **39m at 1.23g/t Au** from 141m, **14m at 0.63g/t Au** from 119m and **10m at 0.60g/t Au** from 102m in MDRC427.

##### IRIS

- **40m at 1.19g/t Au** from 142m in MDRC562; and
- **16m at 0.95g/t Au** from 64m in MDRC560.

##### EOS

- **3m at 5.85g/t Au** from 52m including **1m at 14.24g/t Au** from 52m in MDRC526;
- **12m at 4.39g/t Au** from 52m in MDRC545;
- **7m at 2.79g/t Au** from 48m in MDRC551;
- **4m at 3.97g/t Au** from 52m in MDRC554; and
- **4m at 3.47g/t Au** from 51m in MDRC530.

- ✎ Drilling on a new target west of Theia (outside of the MRE) returned encouraging results including:

- **12m at 3.00g/t Au** from 11m in MDRC585;
- **11m at 0.61g/t Au** from 58m in MDRC584; and
- **1m at 8.72g/t Au** from 10m in MDRC583.

#### KOONGIE PARK JOINT VENTURE – Halls Creek, WA

##### AAR - 50% Joint Venture Interest (100% interest – gold and precious metals)

- ✎ AuKing acquired an additional 25% interest in the Joint Venture by completing expenditure of > \$1.5 million since commencement.
- ✎ Numerous high-grade copper results released.

#### CORPORATE

- ✎ Cash of \$6.1 million at 31 December 2021.

## OVERVIEW

Anglo Australian Managing Director Marc Ducler said:

*"The delivery of our third successive Mineral Resource Estimate for Mandilla within eight months is an outstanding achievement, particularly against the backdrop of COVID restrictions and labour shortages. Mandilla has now grown to a significant scale of 784,000 ounces and, when combined with 116,000 ounces of contained gold at Feysville for a total of 900,000 ounces, indicates genuine potential for the development of a new operational hub near Kalgoorlie."*

*"With over 3,000 metres of diamond core and 10,260 metres of air-core drilling yet to be assayed, we expect to announce further results throughout the March Quarter."*

*"We also have a number of key targets to further grow the Mandilla mineral inventory. In particular, the Eos discovery is still at a very early stage and, encouragingly, converted to an initial Mineral Resource at a solid grade of 1.2g/t Au. With further in-fill drilling, we believe we can better delineate the higher-grade paleochannel mineralisation at Eos, which has potential to increase both the grade and size of the Mineral Resource."*

*"The cornerstone Theia deposit (previously named Mandilla East) remains open in several directions and at depth. The RC results reported in December 2021 demonstrated the strong endowment potential of this region, with a new target identified coincident with a sheared basalt contact to the west of Theia returning significant first-pass results including 1 metre at 8.72g/t Au and 12 metres at 3.00g/t Au. This basalt-associated target is in a different geological setting to the three granite associated deposits already delineated, providing encouragement that further new deposit styles may be identified."*

*"We remain well funded to continue our planned work programs, with approximately \$6.1 million of cash at Quarter-end. With new phases of exploration and Resource definition to commence during the March-22 Quarter, we are focused on continuing to grow the Mineral Resource at Mandilla while concurrently strengthening our growth pipeline in the region, with drilling at Feysville to follow. These two projects are on the doorstep of Kalgoorlie – one of the world's great gold mining jurisdictions."*

### MANDILLA GOLD PROJECT – Kalgoorlie, WA

AAR - 100% Interest

The Mandilla Gold Project is situated in the northern Widgiemooltha greenstone belt in the western part of the Kalgoorlie geological domain, some 70km south of the significant gold mining centre of Kalgoorlie, Western Australia. The location of the project in relation to Kalgoorlie and other nearby gold projects is shown in Figure 1.



Image 1 – Diamond drilling at Mandilla, October 2021

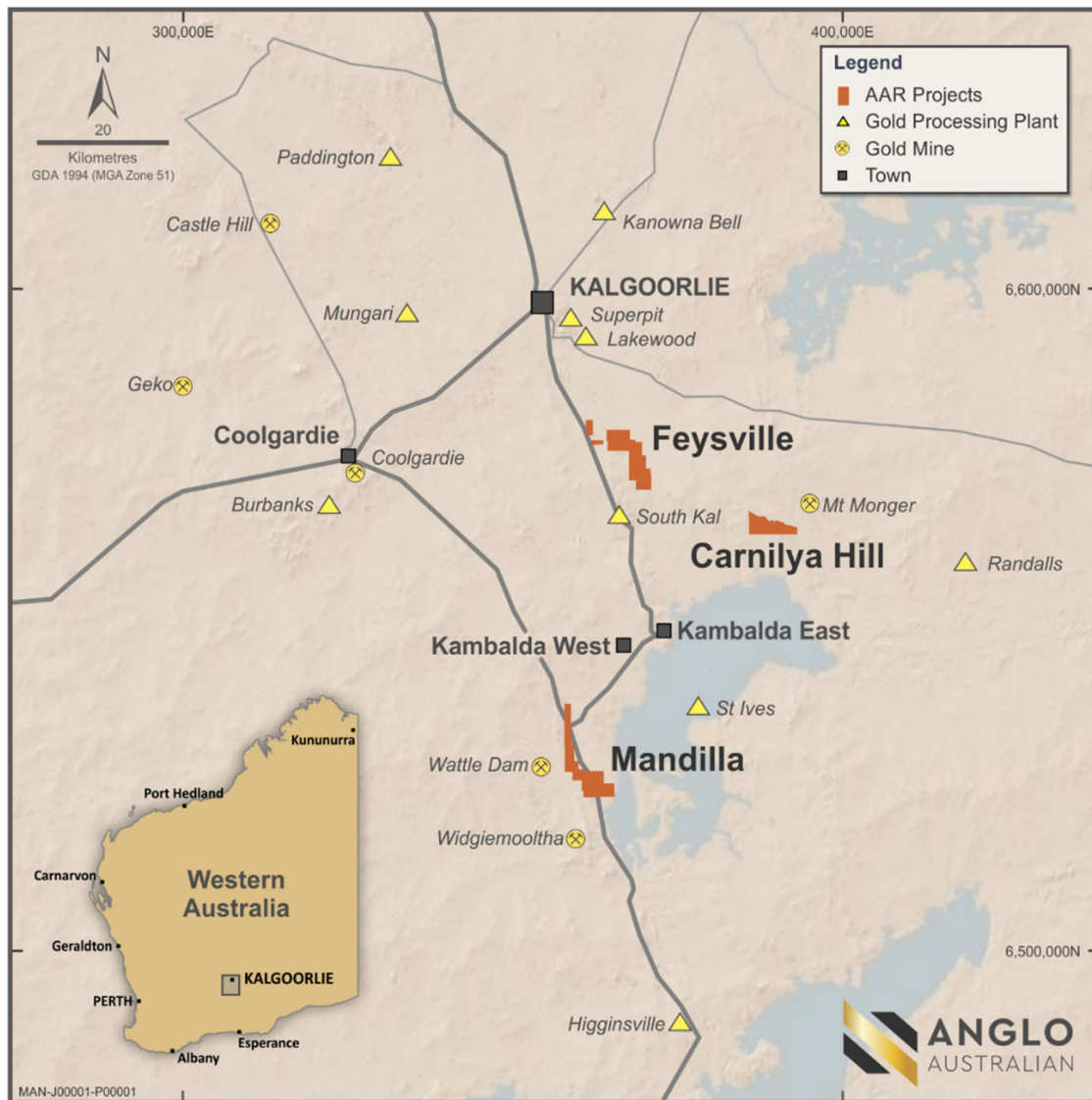


Figure 1 – Mandilla Project, Location Map.

The Mandilla Gold Project is covered by existing Mining Leases which are not subject to any third-party royalties other than the standard WA Government gold royalty.

A map of the Mandilla Gold Project, illustrating key locations and basic geological features, is shown in Figure 2.

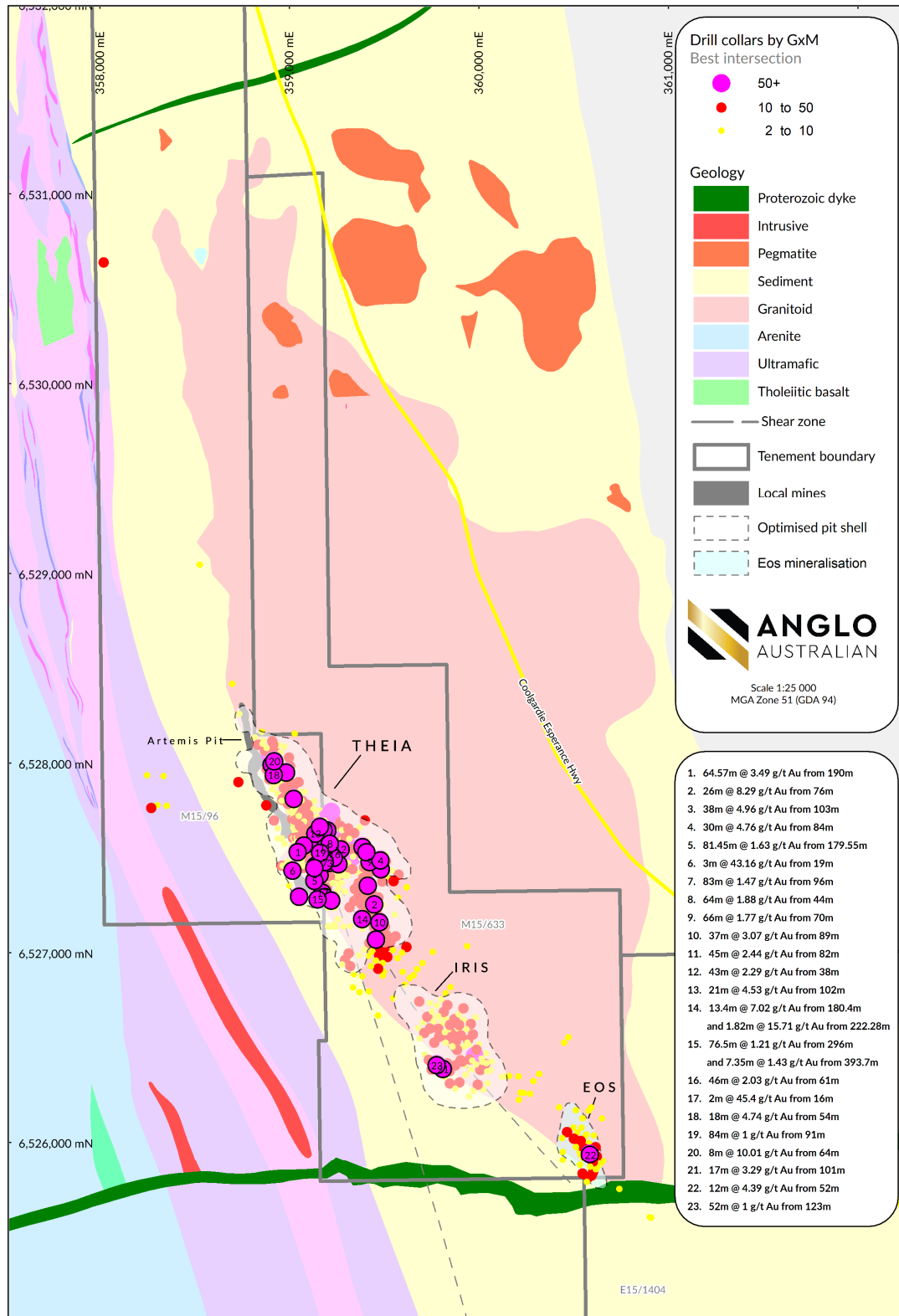


Figure 2 – Mandilla local area geology (including best intercepts).



### Mineral Resource Estimate (MRE) – January 2022 (post quarter-end)

On 18 January 2022, the Company reported an updated JORC 2012 Mineral Resource Estimate (MRE) of **24Mt at 1.0g/t Au for 784koz of contained gold**, encompassing the cornerstone Theia and Iris deposits, and an inaugural MRE at the Eos discovery. The MRE was prepared by independent consultant Cube Consulting in accordance with the JORC Code (2012 Edition).

This is the third MRE published for Mandilla within eight months and provides strong encouragement that AAR can continue to grow its Mineral Resource inventory as it progresses its strategy to develop a long-term gold business in the Kalgoorlie region based on its Mandilla and Feysville Projects (see Figure 1).

The MRE was estimated using a 0.39g/t Au cut-off and is constrained within pit shells using a gold price of AUD\$2,500 per ounce (consistent with the maiden MRE).

The MRE is summarised in Table 1 below, with a more detailed breakdown provided in Table 2. A grade and tonnage sensitivity analysis is provided in Table 3.

*Table 1 – Mandilla Mineral Resource Estimate (January 2022)*

Mineral Resource Estimate for the Mandilla Gold Project (Cut-Off Grade >0.39g/t Au)			
Classification	Tonnes (Mt)	Grade (g/t)	Ounces (koz)
Indicated	10	1.0	331
Inferred	14	1.0	453
<b>Total</b>	<b>24</b>	<b>1.0</b>	<b>784</b>
<i>The preceding statement of Mineral Resources conforms to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 Edition. All tonnages reported are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate significant figures.</i>			

*Table 2 – MRE (January 2022) Grade and tonnage by source*

Deposit	Classification	Tonnes (Mt)	Grade (g/t)	Ounces (koz)
Theia	Indicated	10	1.0	320
	Inferred	9.3	1.1	338
	<b>Total</b>	<b>19</b>	<b>1.1</b>	<b>658</b>
Iris	Indicated	0.5	0.7	11
	Inferred	4.0	0.8	104
	<b>Total</b>	<b>4.4</b>	<b>0.8</b>	<b>115</b>
Eos	Indicated			
	Inferred	0.3	1.2	11
	<b>Total</b>	<b>0.3</b>	<b>1.2</b>	<b>11</b>
<b>Total</b>		<b>24</b>	<b>1.0</b>	<b>784</b>
<i>All tonnages reported are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate significant figures.</i>				

*Table 3 – MRE (January 2022) Grade and tonnage by cut-off grade*

Cut-off grade (g/t Au)	Tonnes (Mt)	Grade (g/t)	Ounces (koz)
0.30	28	0.9	831
0.35	26	1.0	807
<b>0.39</b>	<b>24</b>	<b>1.0</b>	<b>784</b>
0.40	24	1.0	781
0.45	21	1.1	752
0.50	19	1.2	721
<i>All tonnages reported are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate significant figures.</i>			

The locations of the optimised pit shells based on a gold price of AUD\$2,500 per ounce are set out in plan view in Figure 3 below.

The cross-sections referenced below are also annotated on this plan.

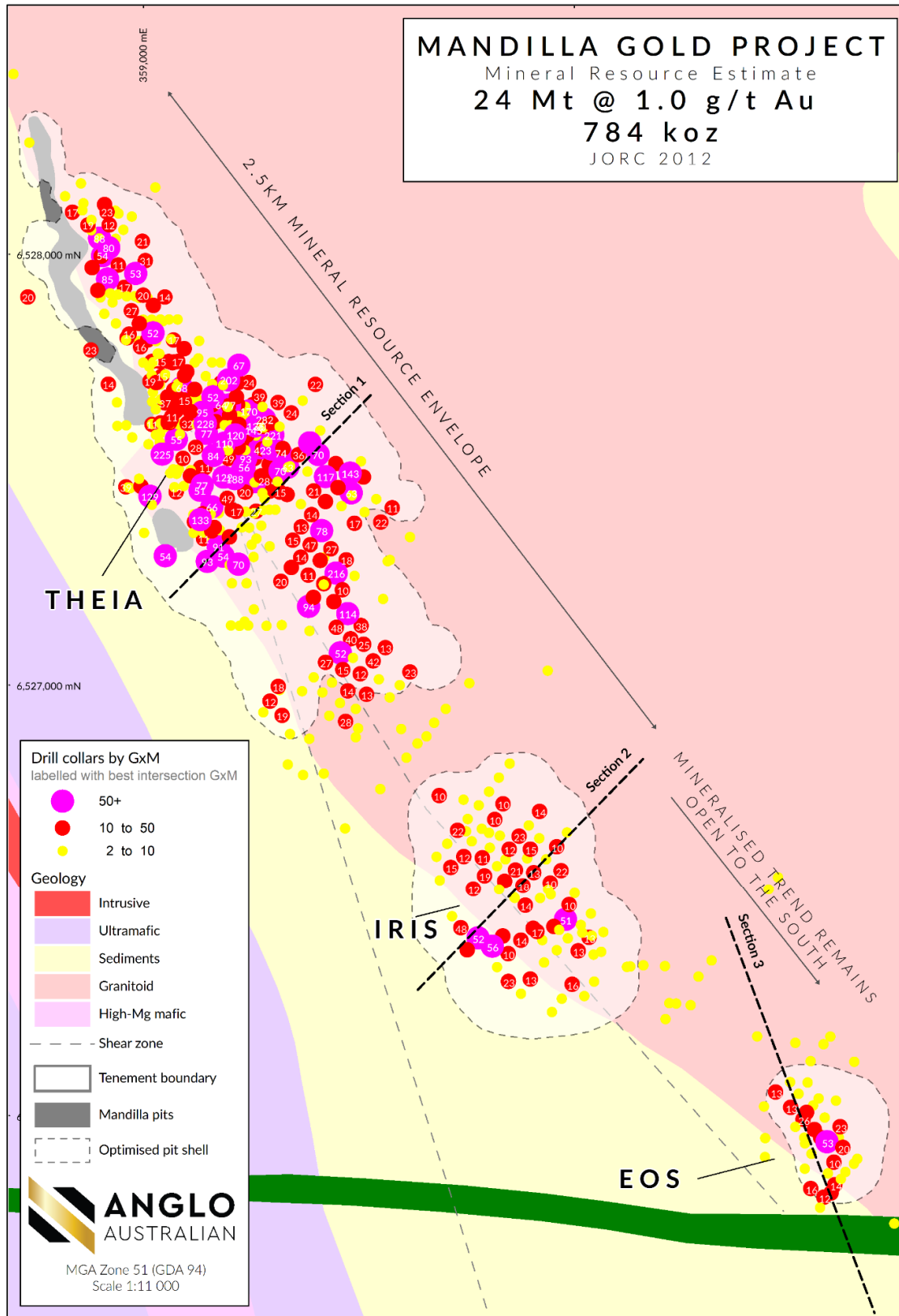


Figure 3 – Optimised pit shell on local area geology (GxM represents gram-metres).

## THEIA

Theia is the main deposit at Mandilla and represents 84% of the reported MRE. The total MRE at Theia is **19Mt at 1.1g/t Au for 658koz of contained gold**. Since the August MRE, the number of contained gold ounces interpreted at Theia has increased 17% based largely on the inclusion of assays from approximately 12,000 metres of new drilling.

This demonstrates the potential to continue to grow the Mineral Resources at Theia with additional drilling. There is currently 2,200 metres of diamond drilling completed in late 2021 at Theia which is being logged.

Section 1, as illustrated in Figure 4 below, shows the Mineral Resource within the optimised pit shell on a section previously reported on 6 October 2021. This includes drill-hole MDRCD191, released to the ASX on 11 August 2020, which returned **4 metres at 4.79g/t Au** from 41 metres, **76.5 metres at 1.21g/t Au** from 296 metres, **7.35 metres at 1.43g/t Au** from 393.7 metres and **3.8 metres at 2.26g/t Au** from 410.9 metres.

MDRCD191 returned significant zones of mineralisation at depth, which notably included laminated gold-bearing quartz veins. This mineralisation potentially represents a deeper higher-grade shoot previously intersected in holes MDRCD230 (**81.45 metres at 1.63g/t Au** from 179.6 metres) and MDRCD377 (**64.57 metres at 3.49g/t Au** from 190 metres), which are located 90 metres and 260 metres to the north respectively.

Drill testing of the south-eastern extension returned encouraging results, including<sup>1</sup>:

- **17 metres at 1.43g/t Au** from 108 metres in MDRC466;
- **34 metres at 1.46g/t Au** from 64 metres and **28 metres at 1.23g/t Au** from 118 metres in MDRC472;
- **61 metres at 1.14g/t Au** from 77 metres and **10 metres at 3.36g/t Au** from 59 metres in MDRC473; and
- **49 metres at 0.94g/t Au** from 107 metres in MDRC476.

The successful south-east extensional drilling has added Mineral Resources in this area, allowing the pit optimisation to drive further at depth to convert the previously unclassified mineralisation from MDRCD191 into Mineral Resources.

Geotechnical hole MDGT007 is also annotated on this cross-section. While this hole has yet to be submitted for assay, visible gold mineralisation has been noted during logging. There is potential to identify further mineralisation to the west of the current Mineral Resources as the area remains largely untested and is within the current optimised pit shell.

<sup>1</sup> "New RC Drill Results Expand Mandilla East" reported to ASX on 6 October 2021

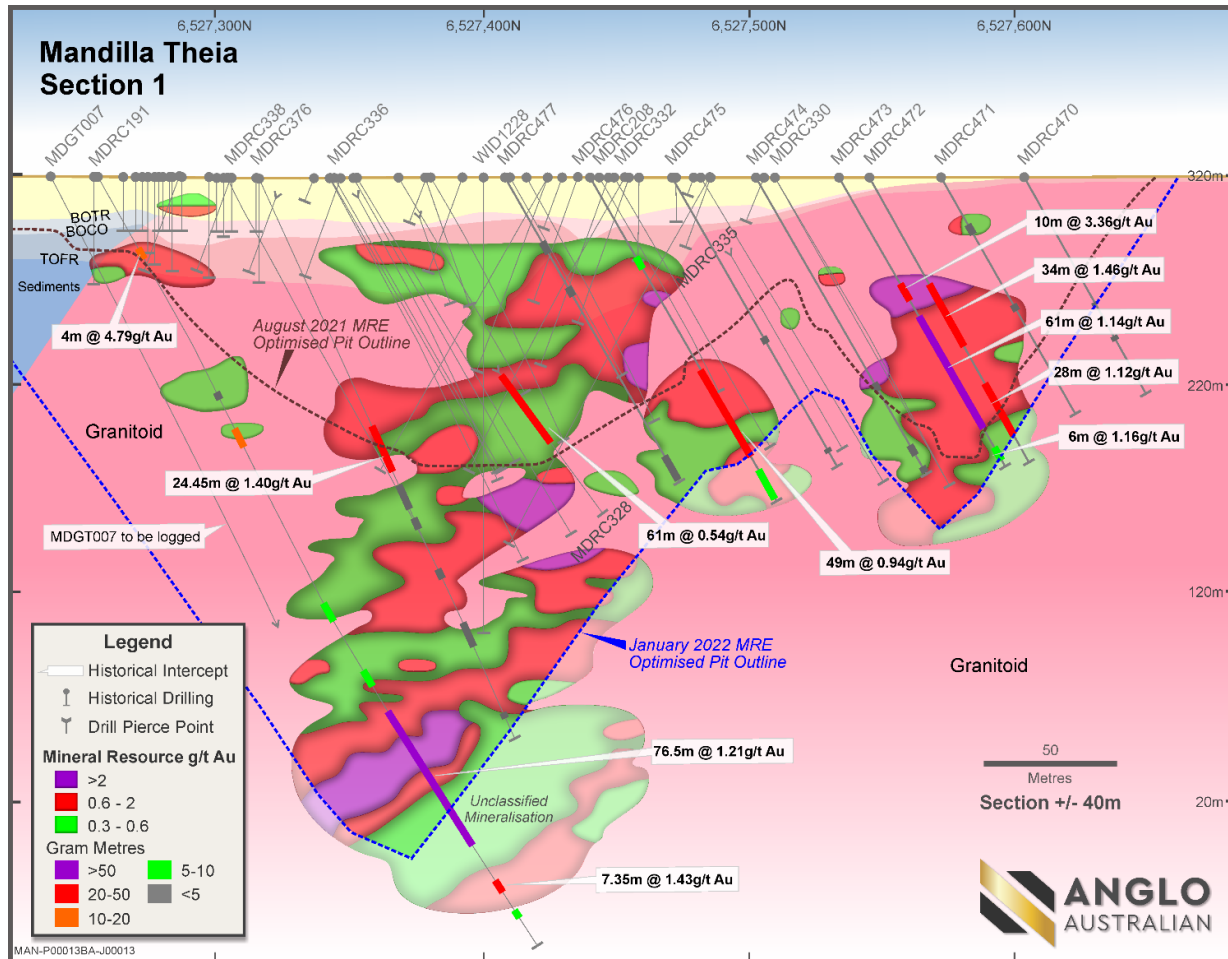


Figure 4 – Theia cross-section (refer Figure 2 for section location).

## IRIS

The Mineral Resource at Iris is **4Mt at 0.8g/t Au for 115koz of contained gold**. Since the August MRE was reported, assays from an additional 3,000 metres of drilling have been included in the updated MRE.

Section 2, as illustrated in Figure 5 below, shows Iris in cross-section. This is the same section as previously reported to the ASX on 15 December 2021.

The Mineral Resources identified on this section demonstrate the high-grade zone that is interpreted to be associated with the sediment/intrusive contact.



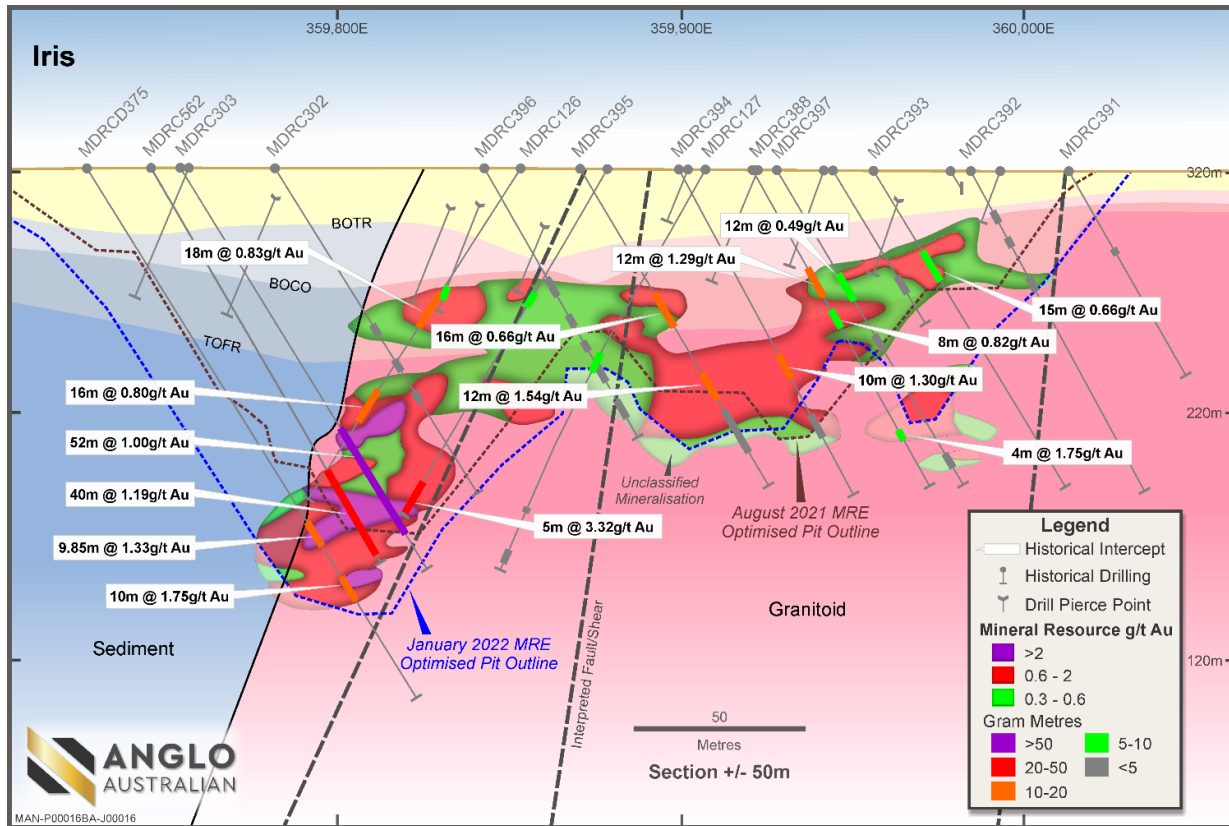


Figure 5 – Iris cross-section (refer Figure 2 for section location).

## EOS

At Eos, previously identified mineralisation was recently followed up with a modest RC drilling program consisting of 11 holes for 950 metres reported in August 2021. This successful program was expanded, with a further 36 holes drilled for a total of 3,626 metres in December 2021.

A maiden Inferred Mineral Resource of **0.3Mt at 1.2g/t Au for 11koz of contained gold** has been declared at Eos.

Section 3, as illustrated in Figure 6 below, shows the same oblique long projection of Eos as previously reported to the ASX on 15 December 2021.

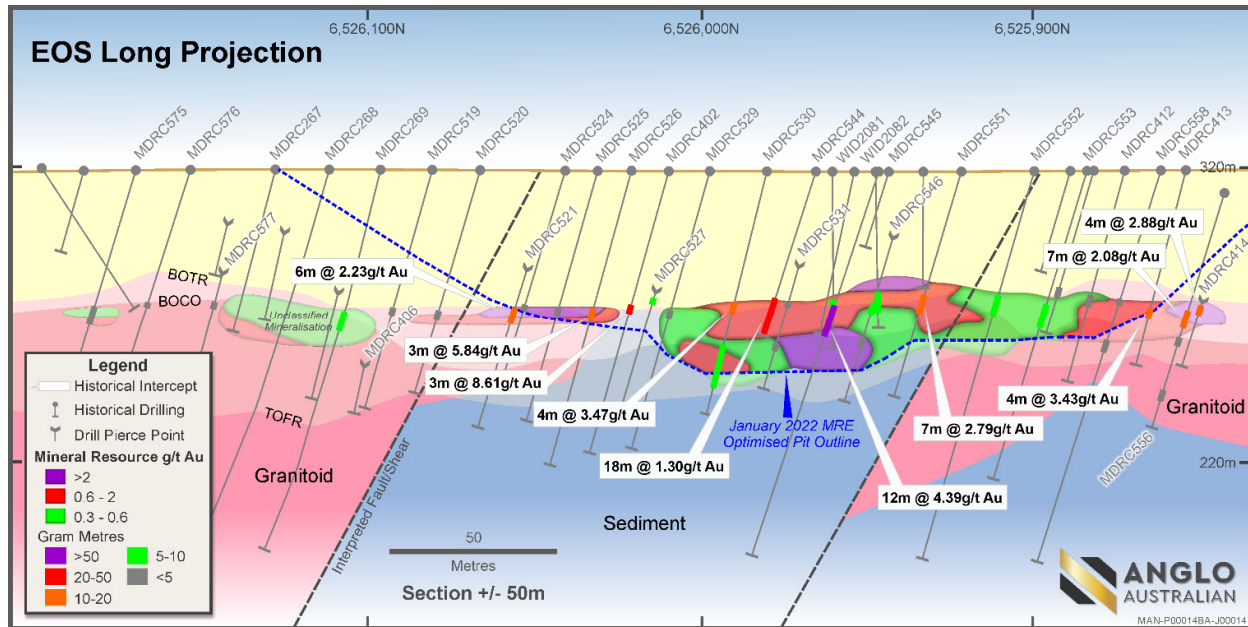


Figure 6 – Eos oblique long projection (refer Figure 2 for section location).

The long projection (Figure 6) illustrates a flat-lying geometry to mineralisation. Higher-grade mineralisation has been intersected above the base of transported cover (BOTR), which is potentially associated with a paleochannel. Mineralisation is also present above the base of complete oxidation (BOCO) which is interpreted as supergene enrichment.

The current drilling at Eos is relatively wide spaced (40m x 40m). Further Resource definition drilling will be required to increase confidence and upgrade the Resource classification. Additionally, the higher-grade paleochannel mineralisation which has been intersected in several RC holes will require in-fill drilling to better define these high-grade paleochannel zones.

Potential remains to increase both the grade and scale of the Mineral Resources at Eos with additional drilling.

A summary of information material to the understanding of the MRE was provided in the ASX Announcement dated 18 January 2022, in compliance with the requirements of ASX Listing Rule 5.8.1.

### Drill Results

The Company released drill results during the Quarter on 6 October 2021, 3 November 2021 and 15 December 2021. These results are discussed in chronological order below.

#### 6 October 2021

On 6 October 2021, the Company announced the results from 36 RC holes for an aggregate of 4,661 metres of drilling. These results related to drill samples submitted from the RC program which commenced during August 2021.

The locations of the drill-holes reported are set out in plan view in Figure 7.

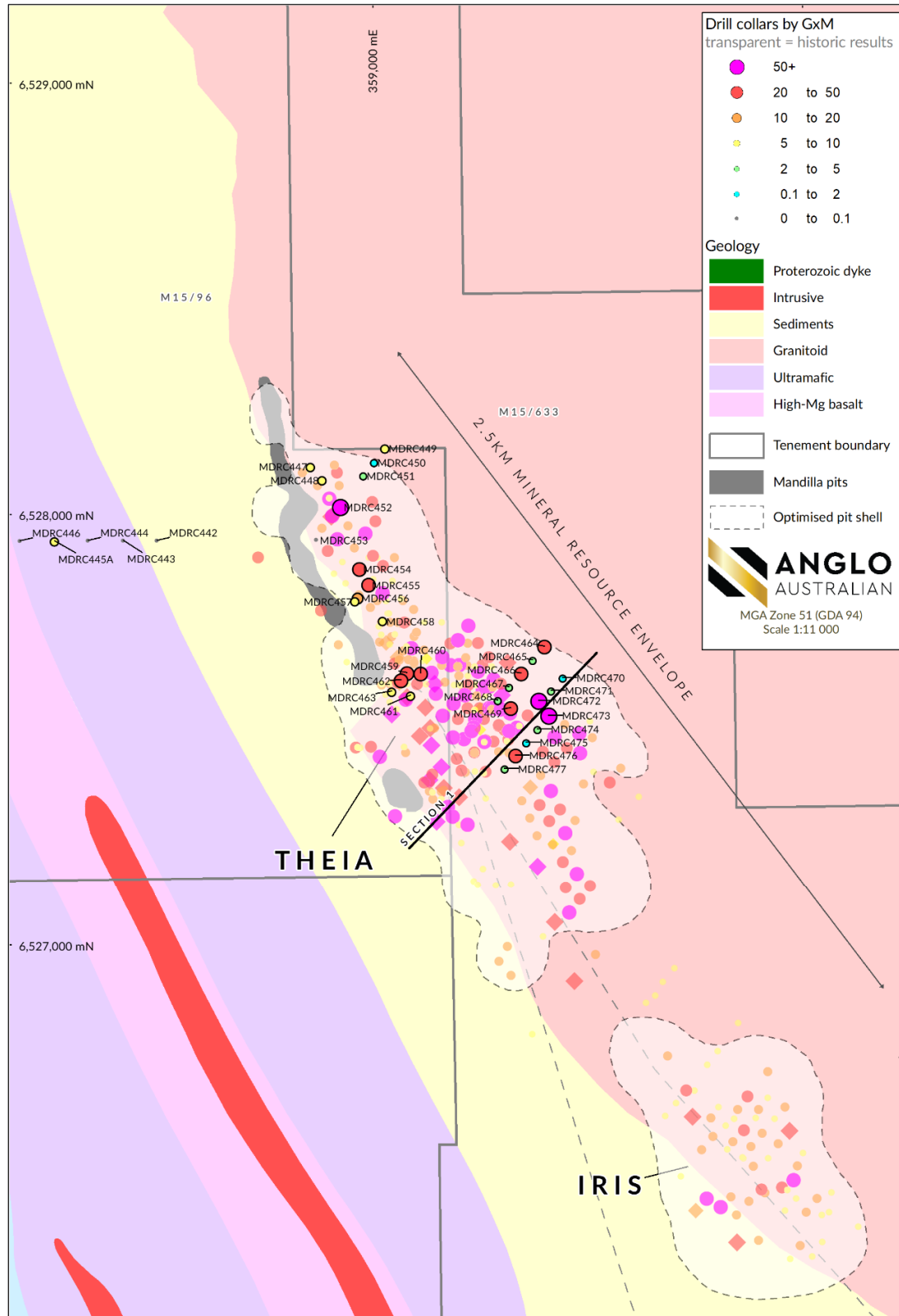


Figure 7 – Drill collar locations on local area geology for the Mandilla Gold Project.

## THEIA

The RC drilling program encompassed both in-fill drilling of the northern extent of Theia (17 RC holes for an aggregate 1,879 metres) and extensional drilling of the south-east extension of Theia (14 RC holes for an aggregate 2,046 metres).

The in-fill drilling of the northern extent of Theia returned best results of:

- **8 metres at 10.01g/t Au** from 64 metres in MDRC452;
- **29 metres at 1.00g/t Au** from 18 metres in MDRC455;
- **28 metres at 0.92g/t Au** from 89 metres in MDRC460; and
- **19 metres at 1.26g/t Au** from 30 metres in MDRC462.

Of significance, RC hole MDRC452, returned a high-grade intersection of **8 metres at 10.01g/t Au** from 64 metres which included **1 metre at 71.18g/t Au** from 69 metres. This in-fill hole confirmed previously reported high-grade results in the oxide and transitional material, which included:

- **2 metres at 44.04g/t Au** from 88 metres including **1 metre at 82.33g/t Au** from 88 metres in MDRC137;
- **18 metres at 4.74g/t Au** from 54 metres including **1 metre at 76.76g/t Au** from 54 metres in MDRC351;
- **9 metres at 5.89g/t Au** from 76 metres including **1 metre at 40.64g/t Au** from 78 metres in MDRC195;
- **14 metres at 2.19g/t Au** from 34 metres including **1 metre at 24.57g/t Au** from 43 metres in MDRC158;
- **38 metres at 1.42g/t Au** from 38 metres including **1 metre at 17.79g/t Au** from 59 metres in MDRC201; and
- **16 metres at 1.40g/t Au** from 36 metres including **1 metre at 16.09g/t Au** from 50 metres in MDRC352.

This high-grade, near-surface zone of mineralisation represents an early revenue opportunity in a conceptual open pit mining scenario.

The extensional RC drilling of the south-east extension of Theia returned best results of:

- **17 metres at 1.43g/t Au** from 108 metres in MDRC466;
- **34 metres at 1.46g/t Au** from 64 metres and **28 metres at 1.23g/t Au** from 118 metres in MDRC472;
- **61 metres at 1.14g/t Au** from 77 metres and **10 metres at 3.36g/t Au** from 59 metres in MDRC473; and
- **49 metres at 0.94g/t Au** from 107 metres in MDRC476.

Section 1 as illustrated in Figure 4 above shows MDRC473, which recorded **10 metres at 3.36g/t Au** from 59 metres, **61 metres at 1.14g/t Au** from 77 metres and **6 metres at 1.16g/t Au** from 151 metres. Shown on the same section, although 40 metres further north, is MDRC472, which recorded **34 metres at 1.46g/t Au** from 64 metres and **28 metres at 1.23g/t Au** from 118 metres.

A further 80 metres north of MDRC472 (not shown on this section) is MDRC466, which returned **17 metres at 1.43g/t Au** from 108 metres.

These results demonstrate the presence of a continuous zone of mineralisation, extending the footprint of the south-eastern extension of Theia along strike to the north by 160 metres.

#### TARGET WEST OF THEIA

A line of RC holes was drilled 600 metres to the west of the main Theia mineralisation to test a structure along the sediment/mafic contact. Historical drilling in this area included previously reported results of:

- **25 metres at 0.36g/t Au** from 40 metres in WID1133;
- **21 metres at 0.42g/t Au** from 21 metres in WID1134; and
- **13 metres at 0.46g/t Au** from 22 metres in WID1135.

Recent drilling returned anomalous results in two of the five RC holes drilled, with a best intercept of **8 metres at 0.8g/t Au** from 99 metres in MDRC445A. MDRC446 did not reach target depth, impeded by the volume of water encountered.

#### 3 November 2021

On 3 November 2021, the Company announced the results from 45 RC holes for an aggregate of 6,090 metres of drilling. These results related to drill samples submitted from the RC program which commenced during August 2021.

The locations of the drill-holes reported in this announcement are set out in plan view in Figure 8 and Figure 9.

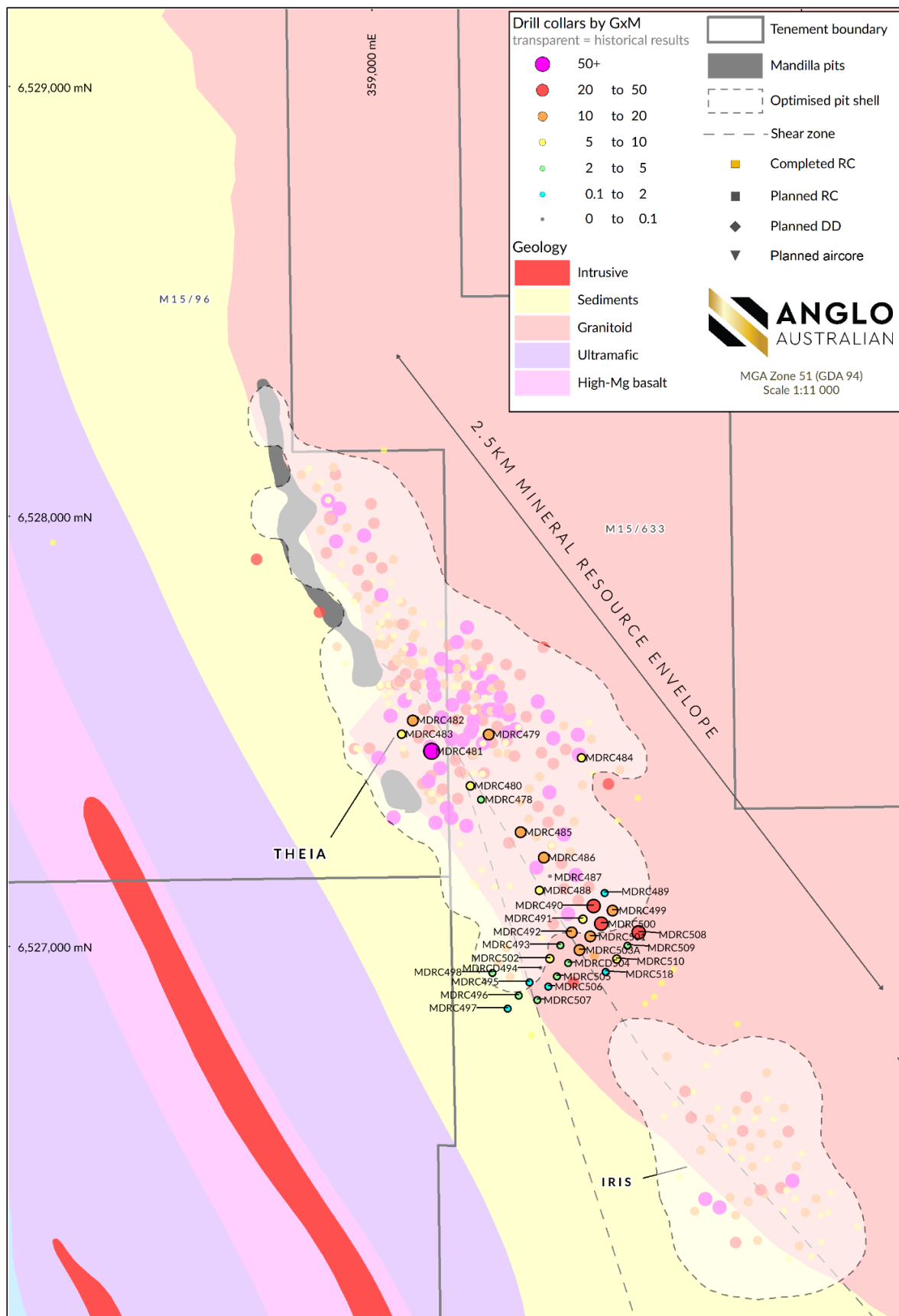


Figure 8 – Drill collar locations on local area geology for the Mandilla Gold Project.



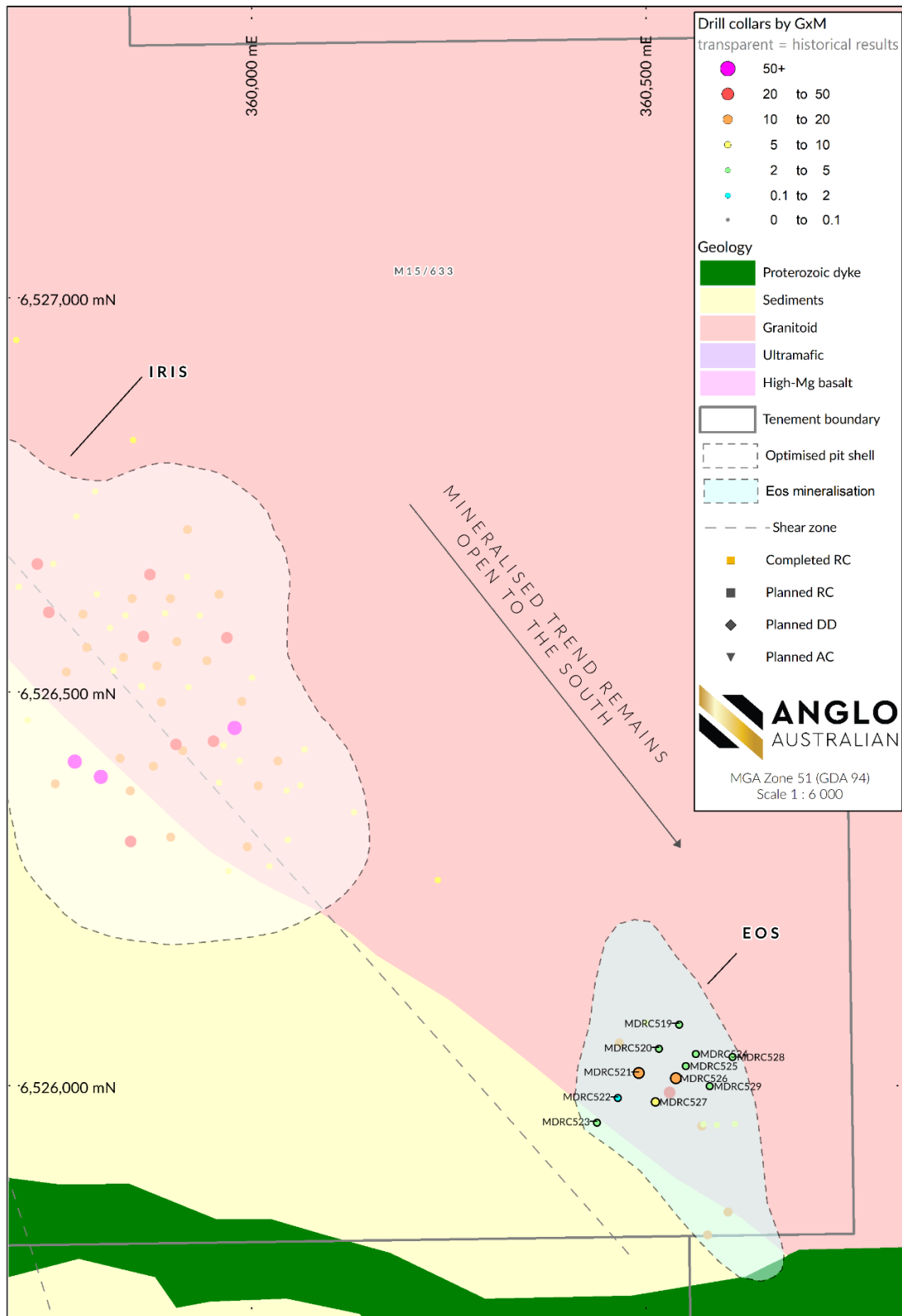


Figure 9 – Drill collar locations on local area geology for the Eos deposit at Mandilla.

## THEIA

Three lines of RC drilling, totalling 21 holes for an aggregate of 2,950 metres, were completed to test the possible extension of the Theia Mineral Resource to the south.

This drilling was conducted to follow up drilling in this area that was reported in July 2021 which included best results of:

- **37 metres at 3.07g/t Au** from 89 metres and **20 metres at 1.15g/t Au** from 38 metres in MDRC426; and
- **39 metres at 1.23g/t Au** from 141 metres, **14 metres at 0.63g/t Au** from 119 metres and **10 metres at 0.60g/t Au** from 102 metres in MDRC427.

The extensional drilling to the south of Theia returned best results of:

- **8 metres at 3.07g/t Au** from 34 metres and **17 metres at 1.02g/t Au** from 78m in MDRC490;
- **22 metres at 0.67g/t Au** from 122 metres in MDRC492;
- **8 metres at 1.31g/t Au** from 15 metres and **6 metres at 2.23g/t Au** from 32 metres in MDRC499;
- **7 metres at 6.02g/t Au** from 73 metres and **2 metres at 12.52g/t Au** from 158 metres in MDRC500; and
- **15 metres at 1.56g/t Au** from 79 metres in MDRC508.

These results, over three lines of drilling, have demonstrated the consistent presence of mineralisation along a strike length of 160 metres to the south of the currently interpreted Theia Mineral Resource.

## EOS

Assay results from recent drilling were very encouraging, with the previously identified flat-lying, high-grade mineralised zone increasing in size.

Noteworthy mineralisation was identified in eight of the eleven holes drilled, with best results including:

- **3 metres at 5.85g/t Au** from 52 metres including **1 metre at 14.24g/t Au** from 52 metres in MDRC526;
- **6 metres at 2.23g/t Au** from 53 metres including **1 metre at 8.25g/t Au** from 53 metres in MDRC521;
- **2 metres at 3.27g/t Au** from 49 metres including **1 metre at 5.93g/t Au** from 49 metres in MDRC527;
- **3 metres at 1.38g/t Au** from 54 metres in MDRC520;
- **3 metres at 1.24g/t Au** from 52 metres in MDRC525;
- **3 metres at 1.03g/t Au** from 53 metres in MDRC529;
- **3 metres at 1.00g/t Au** from 51 metres in MDRC524; and
- **2 metres at 1.15g/t Au** from 52 metres in MDRC519.

This followed up previous drilling at Eos reported in August 2021, which included best results of:

- **3 metres at 8.62g/t Au** from 51 metres including **1 metre at 25.47g/t Au** from 52 metres in MDRC402;
- **4 metres at 3.43g/t Au** from 52 metres including **1 metre at 5.91g/t Au** from 53 metres in MDRC413;
- **4 metres at 3.14g/t Au** from 55 metres including **1 metre at 11.76g/t Au** from 55 metres in MDRC406; and
- **4 metres at 2.88g/t Au** from 51 metres including **1 metre at 8.51g/t Au** from 52 metres in MDRC414.

A flat-lying high-grade zone of mineralisation measuring several metres thickness, up to 80 metres width and extending over a strike length of 200 metres has been defined in the in-situ weathered clays above the base of fresh rock.

Ongoing drilling of Eos will be required to identify its potential scale and also to determine if the mineralisation is associated with a fresh rock source. The sediment-intrusive contact is interpreted to be located immediately to the east of Eos and the mineralisation at Eos may be associated with weathering of this granite intrusive.

Bedrock mineralisation at Theia was also first identified as a result of follow-up work after the identification of supergene mineralisation close to surface.

## 15 December 2021

On 15 December 2021, the Company announced results from 56 RC drill holes for an aggregate of 6,720 metres of drilling. These results related to drill samples submitted from the RC program which commenced during August 2021.

The locations of these drill-holes are set out in plan view in Figure 10.

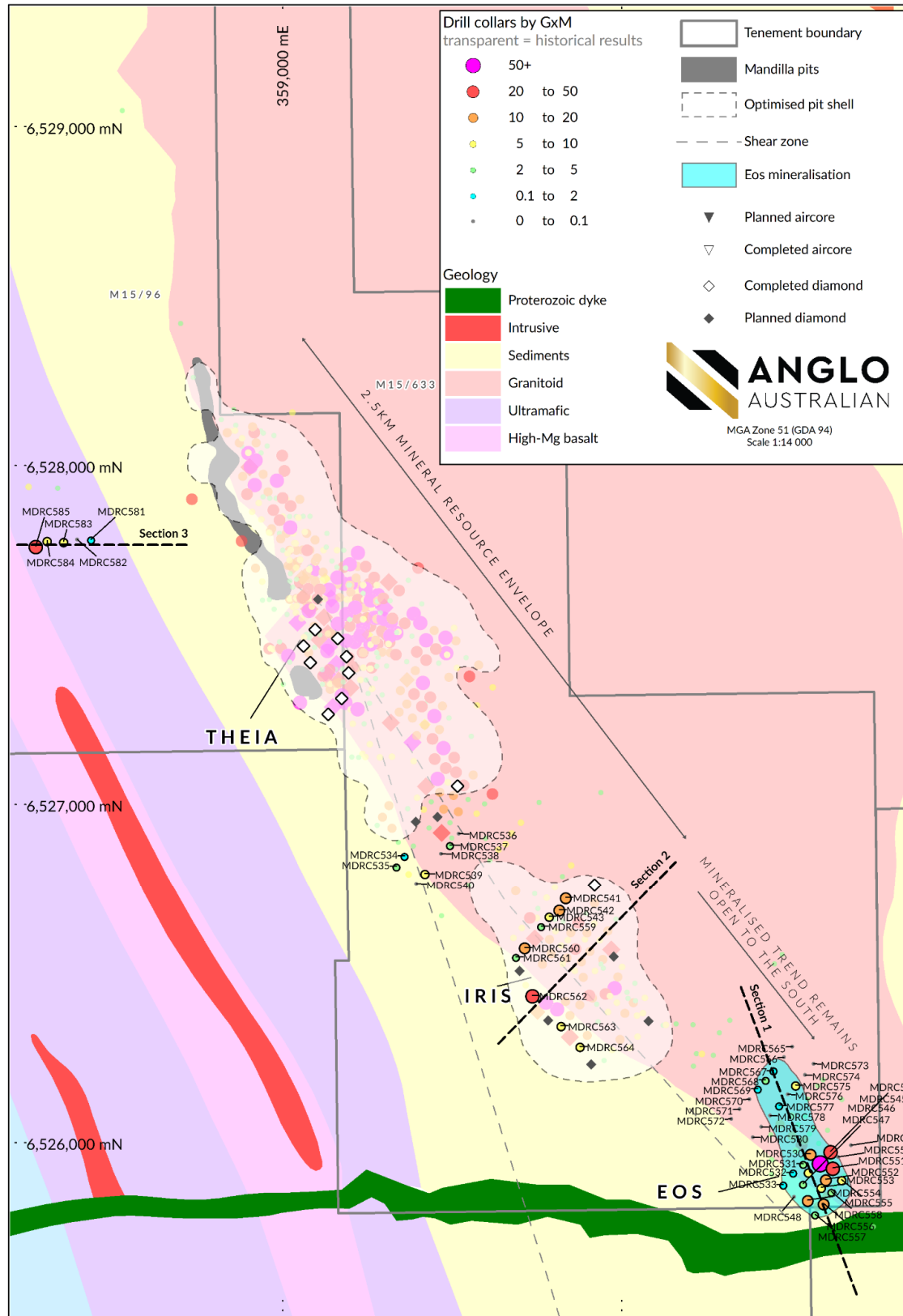


Figure 10 – Drill collar locations on local area geology for the Mandilla Gold Project.

EOS

At Eos, 36 RC drill-holes were completed for an aggregate of 3,626 metres.

Drilling at Eos continues to define a flat-lying, high-grade zone of mineralisation, with the new results reported below also demonstrating the potential for a thicker lens of mineralisation than previously interpreted. Best results included:

- **12 metres at 4.39g/t Au** from 52 metres in MDRC545;
- **18 metres at 1.30g/t Au** from 48 metres in MDRC544;
- **7 metres at 2.79g/t Au** from 48 metres in MDRC551;
- **4 metres at 3.97g/t Au** from 52 metres in MDRC554;
- **4 metres at 3.47g/t Au** from 51 metres in MDRC530;
- **7 metres at 2.09g/t Au** from 53 metres in MDRC556; and
- **6 metres at 1.63g/t Au** from 48 metres in MDRC552.

Section 1, as illustrated in Figure 6 above, shows an oblique long projection of Eos.

The long projection shows the flat-lying mineralisation. Higher-grade mineralisation, potentially associated with a paleochannel, has been intersected above the base of transported cover (BOTR). There is also mineralisation located above the base of complete oxidation (BOCO), which is interpreted to be associated with supergene enrichment.

The current drill spacing at Eos is relatively wide spaced (40m x 40m). Closer spaced drilling will be required to define the higher-grade paleochannel mineralisation which has now been intersected several times. It is noted that in 2006/2007, mining of the paleochannels in the Artemis pit, situated on the western edge of Theia, produced over 20,500 ounces of gold at a recovered grade of 7.5g/t Au.

#### IRIS

Nine RC drill-holes for an aggregate of 1,470 metres were drilled at Iris. The drilling was designed to test both the sediment-intrusive contact and to extend known mineralisation at Iris to the north.

Best results included:

- **40 metres at 1.19g/t Au** from 142 metres in MDRC562;
- **16 metres at 0.95g/t Au** from 64 metres in MDRC560;
- **16 metres at 0.64g/t Au** from 72 metres, **7 metres at 0.64g/t Au** from 95 metres and **5 metres at 1.11g/t Au** from 136 metres in MDRC541; and
- **18 metres at 0.56g/t Au** from 76 metres in MDRC542.

Section 2, as illustrated in Figure 5 above, shows a cross-section of Iris.

MDRC562, which is highlighted on this section, further demonstrates that the higher-grade zones of mineralisation at Iris are more closely associated with sediment/intrusive contact than appears to be the case at Theia.

#### TARGET WEST OF THEIA

A second traverse of RC drill-holes was planned to test a structure along the sediment/mafic contact approximately 700 metres to the west of Theia. Five RC drill-holes for an aggregate 800 metres were drilled.

Results from the first traverse were reported on 6 October 2021 with a best result of **8 metres at 0.80g/t Au**. The westernmost hole in the first traverse did not reach target depth, impeded after intersecting excessive water.

Results received from the second traverse exceeded expectations. An interpreted steeply-dipping mineralised structure was intersected in three of the five holes drilled. Best results included:

- **12 metres at 3.00g/t Au** from 112 metres in MDRC585;
- **11 metres at 0.61g/t Au** from 58 metres in MDRC584; and
- **1 metre at 8.72g/t Au** from 10 metres in MDRC583.

Section 3, as illustrated in Figure 11 below, shows a cross-section of this newly identified mineralisation.

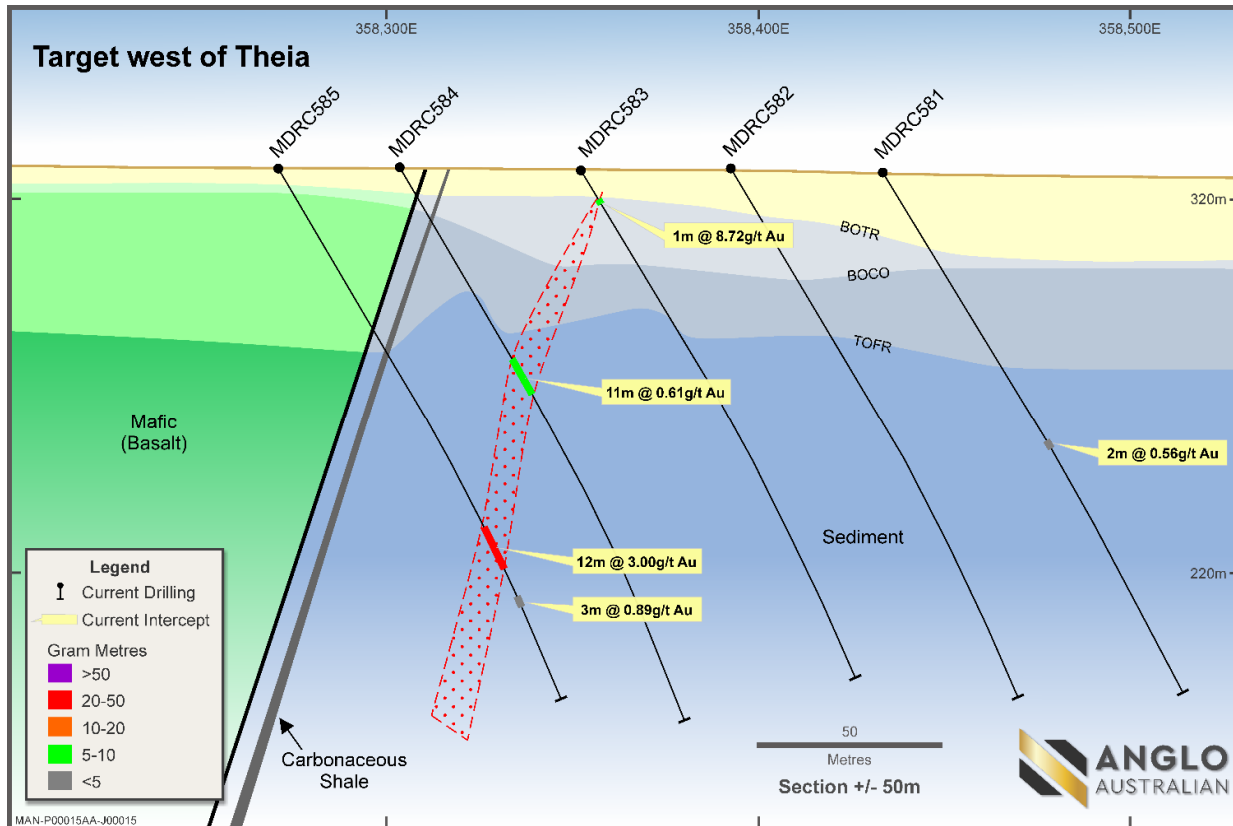


Figure 11 – Target west of Theia cross-section (refer Figure 3 for section location).

Additional drilling will be planned in this area to better understand the extent of this mineralised contact.

## Drill Programs

### RC Drilling

During the Quarter, the Company completed 40 RC holes for a total of 7,822 metres of drilling. The RC drill rig was demobilised from Mandilla on 6 November 2021.

### Diamond Drilling

During the Quarter, the Company completed 14 diamond holes for a total of 3,346.50 metres of drilling. The diamond drill rig was demobilised on 15 December 2021.

### Air Core Drilling

An Air Core (AC) drill rig was mobilised to Mandilla and commenced drilling on 16 November 2021. During the Quarter, the Company completed 293 AC holes for a total of 10,260 metres of drilling. The AC drill rig was demobilised from Mandilla on 15 December 2021.

### Project to Date

To 31 December 2021, across a number of drilling campaigns, the Company has undertaken a total of 88,032 metres of drilling at Mandilla, comprising 66,750 metres of RC drilling, 11,022 metres of diamond drilling and 10,260 metres of AC drilling. This represents a significant investment in exploration and Resource definition drilling and continues to highlight the confidence the Company has in this project.

## Current and Forward Plan

### Air Core Drilling

AC drilling is currently being planned to define the paleochannel at Eos.



Several additional lines of aircore are also planned to extend the regional exploration coverage to the south of the recently completed aircore program.

Pending drill rig availability, this is expected to commence in the March Quarter.

#### *RC Drilling*

RC drilling to test for bedrock mineralisation south of Eos is also planned. This is to follow up the aircore drilling that was logged in December 2021, where visual observations noted potential for gold mineralisation.

Additional RC drilling to further test the high-grade potential of the sediment/intrusive contact at Iris is also being planned.

The target west of Theia that returned promising first pass results will be followed up with additional RC drilling to test for continuity along strike and down dip.

Pending drill rig availability, this is expected to commence in the March Quarter.

#### *Diamond Drilling*

Further diamond drilling to complete the program commenced in 2021 is to be undertaken. Pending the results of the recently completed 3,346.5m program, additional diamond drilling will be planned to test for down dip extensions at Theia.

Planning is also underway to better define the cross-cutting structures at Theia and Iris, which will potentially require diamond drilling in a south-easterly orientation (~140 azimuth) as opposed to the north-easterly (040 azimuth) at which previous holes have been oriented. An improved understanding of the cross-cutting structures may be important in understanding controls to the mineralisation at Mandilla.

### **KOONGIE PARK JOINT VENTURE – Halls Creek, WA**

*AAR - 50% Joint Venture Interest (100% interest – gold and precious metals)*

#### *Joint Venture Agreement*

During the Quarter, the Company's joint venture partner, AuKing Mining Limited (AKN), acquired an additional 25% interest in the Joint Venture by satisfying the first earn-in milestone, being expenditure of in excess of \$1.5 million within 24 months of commencement of the Joint Venture Agreement. AKN now holds a 50% interest in the Joint Venture.

At AuKing's election, it can earn a further 25% interest in the Joint Venture by incurring additional expenditure of \$1.5 million over a twelve (12) month period, including expenditure on exploration activities and feasibility studies with a view to establishing mining operations on the Onedin and Sandiego deposits on the Tenements (**Second Earn-In Milestone**).

AKN released results on 4 October 2021, 4 November 2021 and 30 November 2021, which included a number of high-grade base metals intersections.

#### *Gold and Precious Metals Rights*

AAR retains the right to explore for and develop gold and other precious metals deposits within the Koongie Park project area, including platinum group elements (PGE's). AAR is currently reviewing opportunities to create value for shareholders from the Koongie Park gold and precious metals rights, noting that the Company's ground position abuts the landholding of Pantoro Limited where the discovery of significant platinum group mineralisation has recently been reported.

### **Corporate**

#### **COVID-19**

During the Quarter, the Company continued to implement and maintain the necessary COVID-19 protocols to minimise the risk to employees, contractors, and the communities in which the Company operates. The Company has managed to successfully advance its exploration and evaluation activities without disruption but continues to monitor the latest advice and directives from the State Government and relevant health authorities.

#### **Board Composition**

The Company appointed Mr Justin Osborne as a non-executive director on 18 November 2021. Mr Osborne replaced Mr John Jones, who retired from the Board at the 2021 Annual General Meeting.

Mr Osborne is a highly experienced mining executive and exploration geologist with a career spanning more than 30 years and a strong gold pedigree. Justin played a pivotal role in leading the exploration team that drilled out the now Tier-1 Gruyere Gold Mine in Western Australia with Gold Road Resources Limited (Gold Road).

Mr Osborne was one of two executive directors at Gold Road that led the company from the discovery of the world-class Gruyere Gold Deposit to become a successful gold producer and ASX-200 company with a market capitalisation of over \$1.1 billion.

Prior to his time at Gold Road, Justin held senior roles with Gold Fields Ltd, including Vice President Development Strategy – Growth & International Projects and General Manager – Near Mine Exploration (International Operations), as well as a lengthy career with WMC Limited.

Mr Osborne currently holds non-executive directorships with both Matador Mining Limited (ASX: MZZ) and Hamelin Gold Limited (ASX: HMG).

#### Issued Capital

On 19 November 2021, the Company issued 3,000,000 unquoted options exercisable at \$0.119 expiring 19 November 2023 to Mr Justin Osborne, in connection with his appointment as non-executive director.

On 31 December 2021, 1,250,000 unquoted options exercisable at \$0.133 expired unexercised.

There were no other changes to issued capital during the December Quarter.

#### Cash and cash equivalents

The Company had cash on hand of approximately \$6.1 million as at 31 December 2021.

#### Appendix 5B

Cash outflows for the Quarter totalled \$2.7 million, comprising exploration activity (82%), staff costs (12%) and property and equipment, corporate, administration and lease costs (6%).

Cash inflows for the Quarter totalled \$4,643 all of which represents bank interest.

Payments to related parties and their associates (as set out in section 6 of the Appendix 5B) totalled \$119,263, consisting of executive and non-executive director fees, salaries and superannuation payments.

## Authorised for Release

This Quarterly Report has been authorised for release by the Board of AAR.

### For further information:

#### Investors:

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Managing Director  
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#### Media:

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Read Corporate  
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## ABOUT AAR

AAR is a gold-focused exploration company targeting the exploration, growth and development of its flagship Mandilla Gold Project (**Mandilla**), located 70km south of Kalgoorlie in Western Australia. Mandilla hosts a Mineral Resource Estimate (MRE) of **24Mt at 1.0 g/t Au for 784koz** of contained gold.

AAR is also progressing mining tenement applications for its Feysville Gold Project (**Feysville**) which is located 14km south of the KCGM Super Pit in Kalgoorlie. Feysville hosts a MRE of **3Mt at 1.3 g/t Au for 116koz<sup>2</sup>** of contained gold. Subject to permitting and approval requirements, AAR will re-commence exploration activities with the strategy to grow and develop the Feysville Gold Project.

AAR has formed an unincorporated Joint Venture with AuKing Mining Limited (**AuKing**) with respect to the Koongie Park Project located in the eastern Kimberley region of Western Australia. AAR currently holds a 50% interest in the Joint Venture, with AuKing able to earn up to a 75% interest by meeting earn-in expenditure milestones. AAR retains the right to explore for gold and other precious metals.

AAR also holds other tenement interests at its Carnilya Hill project in the Western Australian Goldfields.

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<sup>2</sup> Feysville JORC 2012 MRE includes; Indicated Mineral Resources of 2.3Mt at 1.3g/t Au for 96koz and Inferred Mineral Resources of 0.6Mt at 1.1g/t Au for 20koz (refer to ASX Announcement dated 8 April 2019).

## SCHEDULE OF MINING TENEMENTS

### 1. Mining tenements held at the end of the Quarter and their location.

Project (Location)	Tenement Number	Beneficial Percentage Interest	Status	Title Registered to
Mandilla (Western Australia)	M15/96 M15/633 E15/1404	100% gold rights only 100% gold rights only 100%	Granted	Widgie Nickel Limited Anglo Australian Resources NL Anglo Australian Resources NL
Koongie Park (Western Australia)	M80/276, 277 E80/4389, 4766, 4957, 4960 E80/5076, 5087, E80/5127 E80/5263	100%	Granted	Anglo Australian Resources NL
Feysville (Western Australia)	P26/3943-3944 P26/3947-3951 P26/4051-4052 P26/4390	100%	Granted	Feysville Gold Pty Ltd
	M26/846	-	Pending	Feysville Gold Pty Ltd
Carnilya Hill (Western Australia)	M26/47 - 49 M26/453	100% gold rights only	Granted	Mincor Resources NL
Leonora (Western Australia)	E37/1287 E7/1355	100%	Granted	Anglo Australian Resources NL

### 2. Mining tenements acquired during the Quarter and their location:

Project (Location)	Tenement Number	Status	Comment

### 3. Mining tenements disposed of during the Quarter and their location.

Project (Location)	Tenement Number	Status	Comment

## Compliance Statement

*The information in this Quarterly Report that relates to Estimation and Reporting of Mineral Resources is based on information compiled by Mr Michael Job, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Job is an independent consultant employed by Cube Consulting. Mr Job has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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. Mr Job consents to the inclusion in this Quarterly Report of the matters based on the information in the form and context in which it appears.*

*The information in this Quarterly Report that relates to exploration targets and exploration results is based on, and fairly represents, information and supporting documentation compiled by Ms Julie Reid, who is a full-time employee of Anglo Australian Resources NL. Ms Reid is a Competent Person and a Member of The Australasian Institute of Mining and Metallurgy. Ms Reid 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 Reid consents to the inclusion in this report of the material based on this information, in the form and context in which it appears.*

*The information in this Quarterly Report that relates to metallurgical test work for the Mandilla Gold Project is based on, and fairly represents, information and supporting documentation compiled by Mr Marc Ducler, who is a full-time employee of Anglo Australian Resources NL. Mr Ducler is a Competent Person and a Member of The Australasian Institute of Mining and Metallurgy. The information that relates to processing and metallurgy is based on work conducted by ALS Metallurgy Pty Ltd (ALS Metallurgy) on diamond drilling samples collected under the direction of Mr Ducler and fairly represents the information compiled by him from the completed ALS Metallurgy testwork. Mr Ducler 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'. Mr Ducler consents to the inclusion in this Quarterly Report of the material based on this information, in the form and context in which it appears.*

## Previously Reported Results

*There is information in this Quarterly Report relating to exploration results which were previously announced on 13 Feb 2017, 21 Mar 2018, 15 May 2018, 26 Nov 2018, 8 April 2019, 24 July 2019, 31 July 2019, 19 September 2019, 16 October 2019, 25 November 2019, 12 December 2019, 12 February 2020, 19 June 2020, 25 June 2020, 11 August 2020, 15 September 2020, 17 February 2021, 26 March 2021, 20 April 2021, 20 May 2021, 29 July 2021, 26 August 2021, 27 September 2021, 6 October 2021, 3 November 2021 and 15 December 2021. Other than as disclosed in those announcements, 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.*



## Appendix 5B

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

Name of entity

ANGLO AUSTRALIAN RESOURCES NL

ABN

24 651 541 976

Quarter ended ("current quarter")

31 DECEMBER 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(326)	(583)
(e) administration and corporate costs	(151)	(269)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	16
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(472)</b>	<b>(836)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	(26)
(d) exploration & evaluation (capitalised)	(2,208)	(2,787)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(2,208)</b>	<b>(2,813)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (lease repayments)	(20)	(40)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(20)</b>	<b>(40)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	8,818	9,809
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(472)	(838)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,208)	(2,813)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(20)	(40)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	<b>Cash and cash equivalents at end of period</b>	<b>6,118</b>	<b>6,118</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,030	8,752
5.2	Call deposits	88	66
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>6,118</b>	<b>8,818</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	119
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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

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

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(472)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,208)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,680)
8.4 Cash and cash equivalents at quarter end (item 4.6)	6,118
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	6,118
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.28
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

N/A

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

### Compliance statement

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

Date: 28 JANUARY 2022

Authorised by: BY THE BOARD

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

### Notes

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