



ANGLO AUSTRALIAN RESOURCES NL

ACN 009 159 077

ASX/ NEWS RELEASE

18 February 2019

\$1.15 MILLION CAPITAL RAISING

Anglo Australian Resources NL (“Anglo Australian” or the “Company”) (ASX: AAR) is pleased to announce the receipt of commitments in respect of the issue and allotment of approximately 19.16 million new shares at \$0.06 each to current and new sophisticated investors, to raise approximately \$1.15 million before expenses.

The placement will be undertaken under the Company’s capacity pursuant to ASX Listing Rule 7.1.

The funds received will be applied towards the 2019 field exploration season at several of the Company’s key targets, the commencement of which is imminent and a relatively small expenditure in respect of the Company’s working capital requirements,

The highest priority exploration campaign is the Company’s flagship Feysville Project.

At Think Big, further drilling is required to advance three key objectives. First, near surface gold mineralised trends have not been closed off, particularly along the western flank of the deposit. Secondly, higher grade bedrock mineralisation intersected in FRCD013 (17 metres @ 2.76 g/t Au) is localised along an interpreted southerly plunge of the deposit which remains open at depth. The plunge can be tested initially by deepening existing reverse circulation (“RC”) holes using diamond tails. Finally, infill drilling to decrease the drill section spacing from 40 to 20 metres is also required in the core of the Think Big deposit, focussed on defining the high-grade supergene enriched core to the deposit.

Near surface supergene-enriched gold mineralisation at the Saintry and Hyperno Prospects on the Ethereal Shear Zone to the north of Think Big also have excellent exploration potential.

Saintry has previously recorded near surface intersections including 21 metres @ 2.47 g/t Au from 20 metres in FRC051, and 3 metres @ 47.55 g/t Au from 19 metres in FRC100. The strike of mineralisation remains uncertain, and infill RC drilling on 40 x 20 metres centres and step out drilling on 80 x 40 metres spacing, comprising 14 holes for an aggregate 1,200 metres, is planned to better define the gold mineralisation. The gold mineralised trend at Saintry may extend to the west along the Ethereal Shear Zone which is yet to be drill tested. High-grade gold mineralisation at Saintry has been intersected within 20 metres of surface and any further exploration success would render it an attractive shallow mining target in any future mine development at Feysville.

At Hyperno, follow up of the initial gold intersection in FVA254 will be completed to evaluate the potential for economic gold mineralisation in this relatively untested segment of the Ethereal Shear Zone.

At Mandilla, the Company will shortly commence an aircore campaign to infill drill existing 100 to 200 metres spaced sections to better define the core of Mandilla South, a substantial target of 2.5 kilometres long and up to 250 metres wide as defined by a +1 g/t Au supergene enriched gold blanket.

The Mandilla South campaign, which is expected to encompass 54 holes for an aggregate 3,000 metres, for an average depth of approximately 56 metres per hole, will also see re-drilling of certain historic aircore holes that were not drilled deeply enough to intersect the main supergene enriched zone.



The aircore campaign at Mandilla South will optimise locations for an RC drilling campaign to test for bedrock mineralisation, and which the Company expects to commence shortly after assays from the aircore campaign are received.

In respect of Koongie Park, as announced to the market on 30 January 2019, with native title clearance recently received, exploration drilling activities can now commence.

Accordingly, as soon as weather conditions permit, the Company intends to undertake an inaugural 1,000 metre RC drilling campaign to test numerous Nicolsons East Shear Zone targets identified from rock chip samples in outcropping quartz vein structures which have assayed, in the case of the Bulldog Prospect, at up to 73.58 g/t Au.

John Jones, Executive Chairman of Anglo Australian, said today:

“We are delighted to have completed this capital raising. A very big thanks to all who have participated.

“The funds raised will enable us to undertake significant work on our three highly prospective gold projects located in Western Australia – with, in the case of Feysville and Mandilla, work to commence immediately.

“Moreover, with an inaugural resource at Think Big due shortly, I am confident that, by later this calendar year, Anglo Australian will be a substantially different company to that which it is today.”

For further information:

John L C Jones AM – Chairman

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Compliance Statement

The information in this announcement that relates to Exploration Targets and Exploration Results is based on information compiled by David Otterman, who is an independent consultant from DW Otterman Exploration Consultant.

Mr Otterman is a Fellow of The Australasian Institute of Mining and Metallurgy (CP) and a Member of the Australian Institute of Geoscientists (RP Geo).

Mr Otterman 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 Otterman consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Mr Otterman has disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. He verifies that the announcement is based on and fairly and accurately reflects in the form and context in which it appears, the information in supporting documentation relating to Exploration Targets and Exploration Results.

Previously Reported Results

There is information in this announcement relating to exploration results which were previously announced on 21 Mar 2018, 6 Aug 2018, 26 Nov 2018, 28 Nov 2018 & 30 Jan 2019. 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.