



ANGLO AUSTRALIAN RESOURCES NL

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24 July 2019

KOONGIE PARK GOLD PROJECT – JULY UPDATE

HIGHLIGHTS

Gold mineralisation recorded at two targets on the Nicolson's East Shear Zone, with best intersections:

- At the Bull Dog Prospect, 1 metre @ 11.27 g/t Au from 22 metres
- At the Nicolson's East Prospect, 3 metres at 1.00 g/t Au from 23 metres, including 1 metre at 1.49 g/t Au from 24 metres

Also, several gold prospects identified in compilation of previous exploration to be followed up in coming months.

Anglo Australian Resources NL (ASX: AAR) ("Anglo Australian" or the "Company") is pleased to advise of drilling results at the Company's wholly-owned Koongie Park Gold Project, located approximately 20 kilometres to the south west of Halls Creek in the Eastern Kimberley region of Western Australia.

The location of Anglo Australian's Koongie Park Gold Project is illustrated in Figure 1.

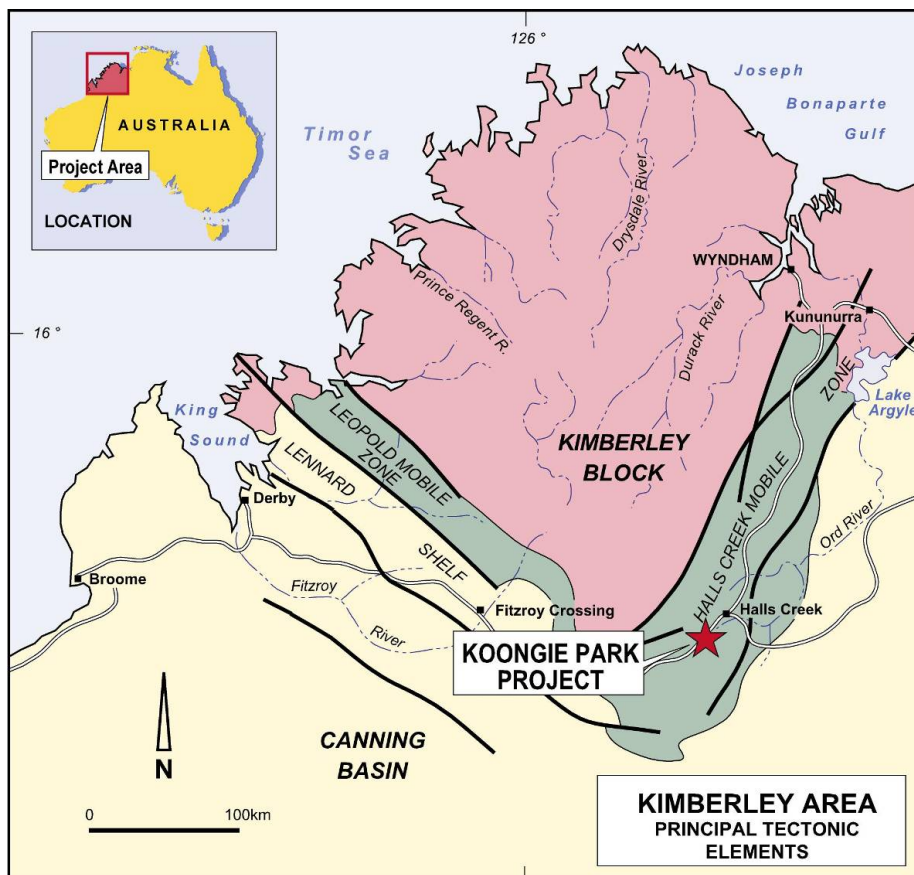


Figure 1: Regional map illustrating location of Koongie Park Project.



Anglo Australian's tenements are adjacent to the Nicolson's Gold Project owned by the ASX-listed Pantoro Limited (current market capitalisation of approximately \$190 million), which is currently producing gold at a rate of approximately 50,000 ounces per annum from the Nicolson's Shear Zone.

Anglo Australian holds a substantial ground position at Koongie Park, as illustrated in Figure 2.

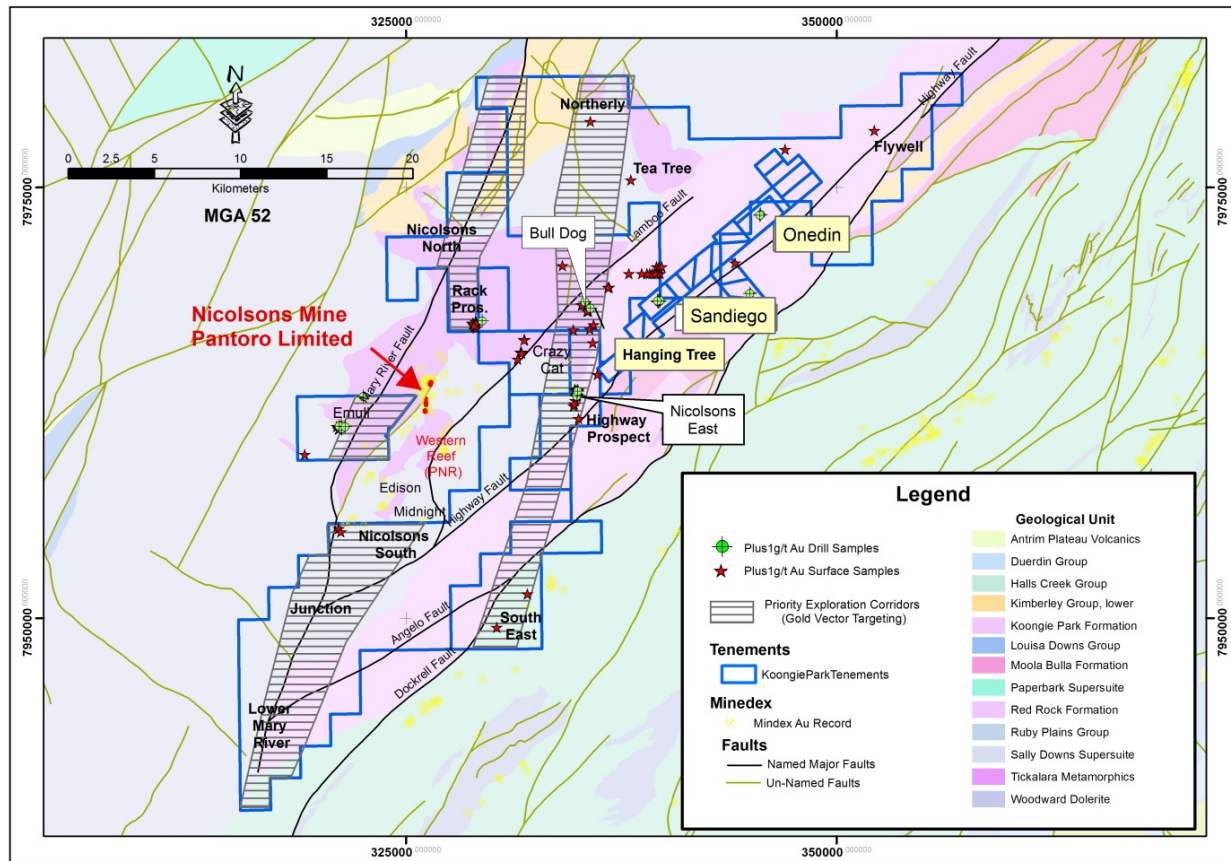


Figure 2: Map of Koongie Park illustrating the ground positions of Anglo Australian. Priority exploration corridors are shaded in grey, and prospects shown as red stars.

Anglo Australian's ground position encompasses approximately 15 kilometres of the Nicolson's Shear Zone to the north of ground held by Pantoro, as well as 15 kilometres of the Nicolson's Shear Zone to the south, all of which is yet to be drill tested.

The Company also holds approximately 40 kilometres of strike along the Nicolson's East Shear Zone, the eastern shaded domain in Figure 2, and located approximately 8 kilometres to the east of and sub-parallel to the Nicolson's Shear Zone.

Historically, the general area has seen several exploration programs since the 1970s, including prospecting, soil sampling, geological mapping, drill core logging, and interpretation of airborne geophysics. However, the general historic focus has been on base metal exploration, with limited focus on gold.

The recently completed drilling campaign, undertaken on the Nicolson's East Shear Zone, a feature which has not been the subject of any modern drilling, encompassed the drilling of 15 reverse circulation ("RC") holes for an aggregate 822 metres (or an average of approximately 55 metres per hole).



Two zones of known mineralisation were targeted:

- At the Bull Dog Prospect, to the north, where rock-chip samples from surface have previously assayed at up to 73.58 g/t Au
- At the Nicolson's East Prospect, to the south, where rock-chip samples from surface have previously assayed at up to 15.7 g/t Au

The recently completed RC holes were located beneath the mapped positions of quartz vein outcrops at the two Prospects to test the potential scale and grade of these structures.

Drill hole locations and assay results are set out in Figure 3.

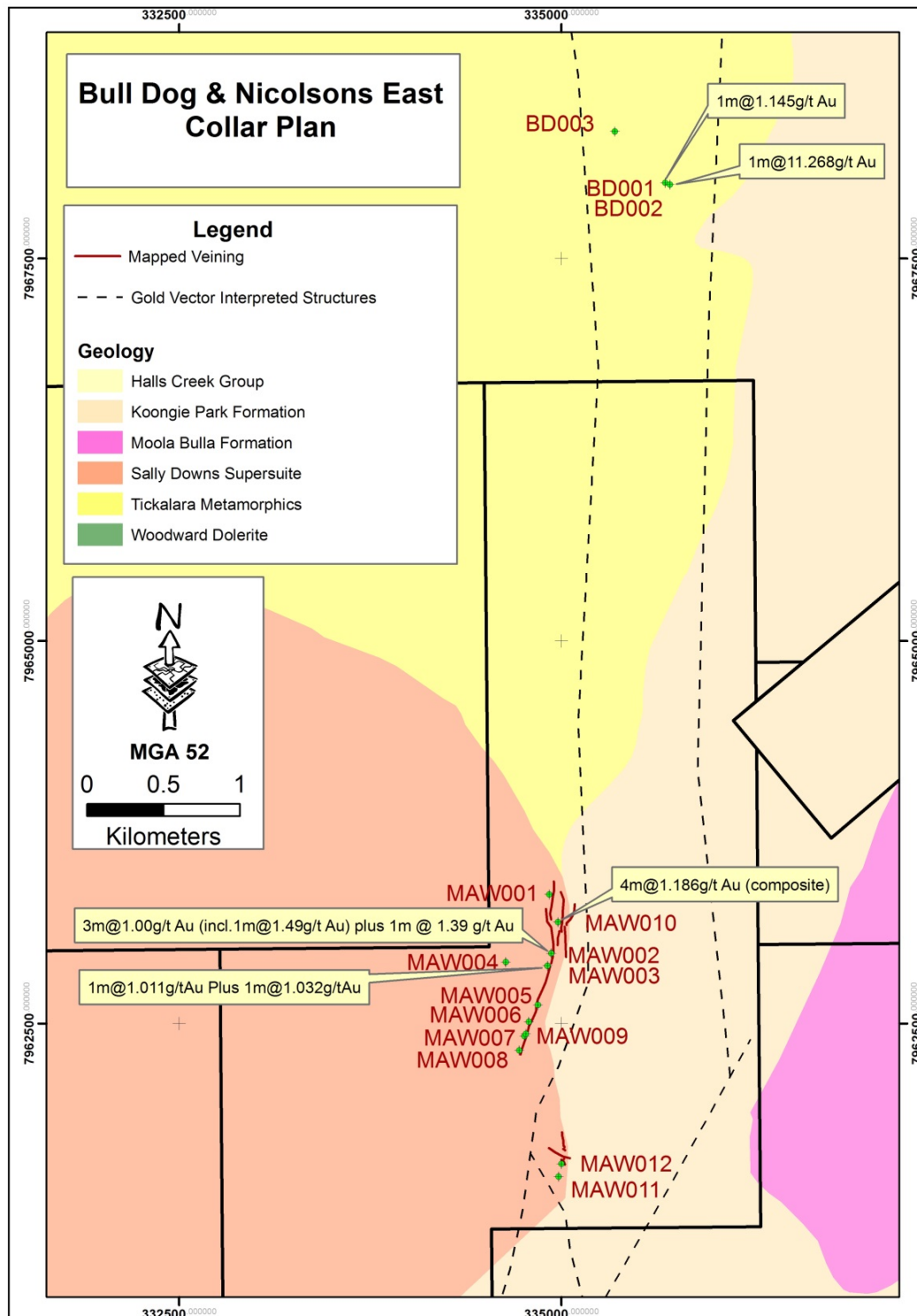


Figure 3: Map of Nicolson's East Shear Zone identifying drill holes and assay results from Bull Dog and Nicolson's East Prospects.



Best intersections recorded were:

- At Bull Dog, from BD002, 1 metre @ 11.27 g/t Au from 22 metres
- At Nicolsons East, from MAW002, 3 metres at 1.00 g/t Au from 23 metres, including 1 metre at 1.49 g/t Au from 24 metres

Drilling confirmed zones of quartz veining in most of the holes with gold assays ranging from weakly gold anomalous to containing significant grades of up to 11.27 g/t Au over 1 metre in BD002.

All significant gold intersections are set out in Table 1.

The results validate the presence at both Prospects of gold mineralisation worthy of ongoing exploration for high-grade gold mineralisation of the type present at the Nicolsons Mine.

Anglo Australian has separately identified a number of other geochemical gold anomalies through its compilation of past exploration at the Project.

These other geochemical gold anomalies will be the subject of further review including field validation in coming months.

Priority will be given to those geochemical gold anomalies that fall into favourable structural corridors such as south of Nicolsons mine where favourable structural positions can be found from the southeast through to the southwest of the licence area owing to the confluence of NNE faults (Mary River/Lamboo) and ENE faults (Highway/ Angelo) offering various favourable (dilatational) structural positions.

For further information:

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Compliance Statement

The information in this report 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 report 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 Report 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 and Resources which were previously announced on 31 Jul 2015 and 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.



TABLE 1

**Koongie Park Significant Drill Intersections (above 1 ppm) from Nicolson's East and Bulldog Gold Prospects
(April 2019 Drilling Programme).**

Hole	North (MGA52)	East (MGA52)	Azimuth	Inclination	From (m)	To (m)	Interval (m)	Au (ppm)	Comment
MAW002	7962957	334934	135	60	23	26	3	1.0	
MAW002	7962957	334934	<i>Including</i>		24	25	1	1.49	
MAW002	7962957	334934	135	60	28	29	1	1.39	
MAW003	7962875	334909	135	60	23	24	1	1.011	
MAW003	7962875	334909	135	60	25	26	1	1.032	
MAW010*	7963160	334978	90	60	32	36	4	1.186	4m composite sample
BD001	7967993	335680	20	60	12	13	1	1.145	
BD002	7967982	335711	20	60	22	23	1	11.268	
<i>*individual metre samples from composite samples grading 0.20g/t or above are currently being assayed.</i>									

APPENDIX 1

Section 1: Sampling Techniques and Data – Koongie Park

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<p>All Reverse Circulation (RC) drill samples were laid out in 1 metre increments and a representative 500 – 700 gram spear sample was collected from each plastic bag and composited into a single sample every 4 metres. Average weight 2 – 3 kg sample.</p> <p>All samples were trucked to Intertek in Perth at the end of the program. On completion of the drilling program the samples were submitted for analysis.</p> <p>Intertek assay standards, blanks and checks and were inserted at regular intervals.</p> <p>Company standards and blank were inserted at bottom of each hole metre intervals, approx 50 metres.</p> <p>Standards GBM908-4</p>
Drilling techniques	<ul style="list-style-type: none"> <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<p>RC Drilling using a button bit. Diameter of hole 5.5 inches</p>
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<p>Visual – amount in sample piles, poor recoveries recorded in sample book.</p> <p>Not known at this stage: more drilling is required to establish if there is any sample bias.</p>
Logging	<ul style="list-style-type: none"> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<p>All reverse circulation drill holes were logged by a qualified geologist.</p> <p>All 1m samples of RC chips were logged by a contract geologist on the rig; Sample chips from each hole were collected and put in chip trays and retained as a record. Logging is carried out at 1 metre intervals for RC drill holes.</p>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<p>RC drill sample bags were laid out in one metre intervals. Spear samples were taken and composited for analysis as described above. Representative samples from each 1m interval were collected and retained as described above. One metres splits, comprising 2 – 3 Kg of sample material, were collected every metre from the cone splitter. Later the one metre splits were collected and assayed for anomalous composite 4 metre intervals that assayed =>0.5 g/t Au. Standard Western Australian sampling techniques applied. There has been no statistical work carried out at this stage. Intertek assay standards, blanks and checks and were inserted at regular intervals. The laboratory carried out analysis of its own blank sample material.</p>

Section 1: Sampling Techniques and Data – Koongie Park

Criteria	JORC Code Explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<p>Sample receipt – LIMS Registration – Sample sorting and Reconciliation</p> <p>Sample weights are recorded – Samples dried on trays 105° C for a minimum of 12 hours</p> <p>Samples are pulverised to 85% passing 75um using a LM5 Pulveriser.</p> <p>Assayed for Au by method FA50/OE (0.005ppm DL) Standard Intertek Minerals protocols re blanks, standards & duplicates applied.</p> <p>Referee sampling has not yet been carried out.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<p>Contractor S Hart verified hole position on site</p> <p>Standard data entry used on site, backed up in Subiaco WA.</p> <p>No adjustments have been carried out</p>
Location of data points	<ul style="list-style-type: none"> <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<p>Drill holes initially have been picked up by hand held Garmin GPS MAP 62). (5 -10 metre accuracy)</p> <p>Grid: GDA94 Datum UTM Zone 52</p> <p>Elevation: nominal 415 metres for all holes.</p>
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i> 	<p>Drill hole spacing between holes was approx 100 metres.</p> <p>RC sample compositing was undertaken over 4 metre intervals where possible and split metre intervals were collected over favorable lithological zones.</p>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<p>All drill holes have been drilled normal to the interpreted strike.</p> <p>The orientation of drilling is considered adequate at this stage for an unbiased assessment of potential mineralization with respect to interpreted structures and interpreted controls on mineralization.</p>
Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<p>Samples were bagged on site and delivered by road to independent laboratory, Intertek in Perth for assaying.</p> <p>All samples taken daily to AAR compound in Halls Creek and truck to Perth at the end of the drilling program. Sent directly to Intertek in Perth. Assaying was completed under the supervision of the independent laboratory.</p>
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<p>No audits have been carried out at this stage. Both sample methods and techniques are considered to be standard practice in the mineral exploration and mining industry in Western Australia.</p>

Section 2: Reporting of Exploration Results – Koongie Park

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<p>Prospecting Licenses E80/4389 and E80 /4960.</p> <p>Are registered in the name and owned 100% by Anglo Australian Resources NL.</p> <p>The licences are in good standing.</p> <p>No known impediments.</p>
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Historical exploration of the Koongie Park tenement area is extensive involving numerous operators over a period of 50 years. It includes the discovery of the Sandiego and Onedin VMS copper-zinc deposits.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<p>The geology of the Koongie Park tenements consists predominantly of volcano sedimentary sequences of Proterozoic age intruded by granitic bodies of similar age.</p>
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<p>The area of drilling has a flat topography and a nominal elevation of 415 metres has been applied to the collar of each RC hole.</p>
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<p>No data aggregation methods have been used.</p> <p>A 0.2 g/t Au lower cut off has been used to calculate grades.</p> <p>This has not been applied</p>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralization with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<p>The geometry of the mineralization including its dip and strike with respect to the drill hole angle is not precisely known. Down hole lengths are reported. True widths are not known.</p>

Section 2: Reporting of Exploration Results – Koongie Park

Criteria	JORC Code Explanation	Commentary
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	Diagrams showing the location of Nicholson's East and Bulldog Prospects within E80/4389 and E80/4960 relative to geology and other prospects are exhibited as Figures 2 and 3.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<p>Follow up reconnaissance sampling and mapping is planned along structural corridors on strike from Nicolson's.</p> <p>No reporting of commercially sensitive information at this stage.</p>