ANGLO AUSTRALIAN RESOURCES NL

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EXPLORATION UPDATE FOR MANDILLA GOLD DISCOVERY

HIGHLIGHTS

- Drilling has commenced on three RC holes with diamond tails (hence designated "RCD") testing depth extensions to wide zones of gold mineralisation previously intersected at Mandilla East.
- A campaign of 55 "slimline" RC holes for an aggregate 2,235 metres was recently completed at Mandilla to test for extensions to the known mineralised system. Results are expected within the next two weeks.
- Planning is underway for an RC campaign of up to 4,000 metres to test various bedrock targets at Mandilla, which is scheduled to commence in early December.

Anglo Australian Resources NL (ASX: AAR) (**Anglo Australian** or the **Company**) is pleased to provide an update on exploration activities at the 100% owned Mandilla Gold Project, located approximately 60 kilometres south of Kalgoorlie, Western Australia.

The Mandilla Gold Project lies on the western margin of a porphyritic granitic intrusion known as the Mandilla Syenite. Recent petrology confirmed the intrusion as having a syenite-monzonite composition. The syenite intrudes volcanoclastic sedimentary rocks in the Project area which form part of the Spargoville Group.

A map of the Mandilla Gold Project, illustrating key locations and geological features, is set out as Figure 1.

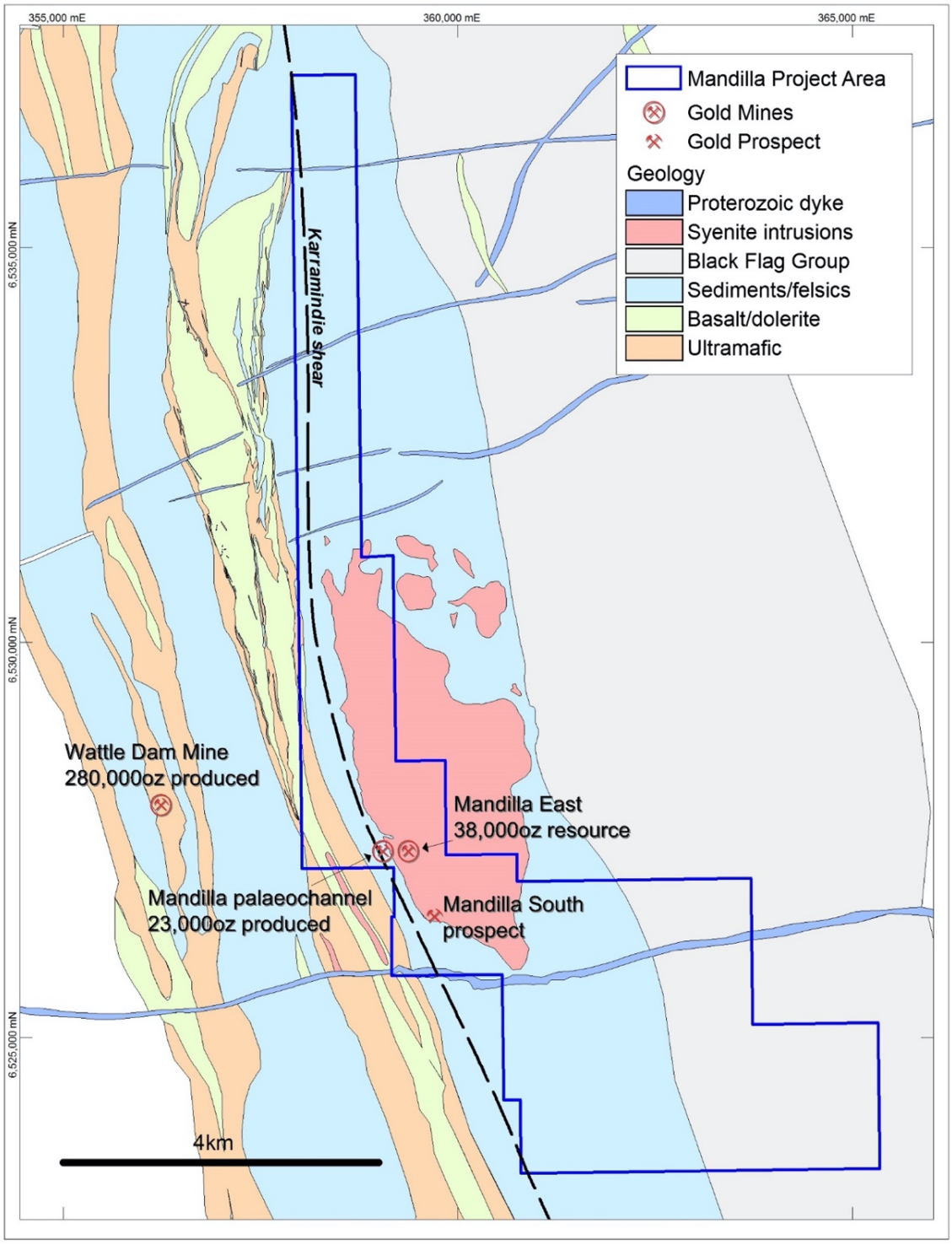

Figure 1: Map of Mandilla Project illustrating key locations and geological features.

Over the period 2006 to 2007, Anglo Australian mined approximately 23,000 ounces of gold at a recovered grade of approximately 7.5 g/t Au from two shallow (less than 20 metres deep) open pits at Mandilla West targeting paleochannel gold deposits (alluvial gold in ancient streams), the gold likely sourced from in-situ mineralised quartz vein deposits located nearby.

At Mandilla East, Anglo Australian has previously identified a bedrock Inferred Resource, based on a low tonnage, high grade interpretation, of 357,000 tonnes at 3.3 g/t Au for approximately 38,000 contained ounces (ASX: 13/06/13). It is noted that much of the previous RC drilling upon which this Resource is based only penetrated from typically 20 to 60 metres into fresh rock and did not adequately define the depth extent of mineralisation at this location.

At Mandilla South, Anglo Australian has previously identified a two-kilometres-long mineralised trend with peak gold value exceeding 5 g/t Au over a strike length of approximately 300 metres. Significant bedrock gold mineralisation has also been confirmed.

Slimline RC Campaign

A campaign of 55 shallow RC holes at Mandilla comprising an aggregate 2,235 metres has been completed.

The campaign had the objective of expanding the gold mineralised footprint in three key areas:

(i) The 500 metres "Gap" prospect between Mandilla East and Mandilla South where previous aircore drilling appears to have been too shallow to intersect the supergene-enriched gold blanket at the transition from saprolite to saprock

(ii) The Northern Extension target covering some 800 metres of strike from the northern end of significant bedrock mineralisation at Mandilla East to the northern end of the palaeochannel pit

(iii) The western zone mineralisation to the south

A map illustrating Mandilla East and the three key areas of drilling is set out in Figure 2.

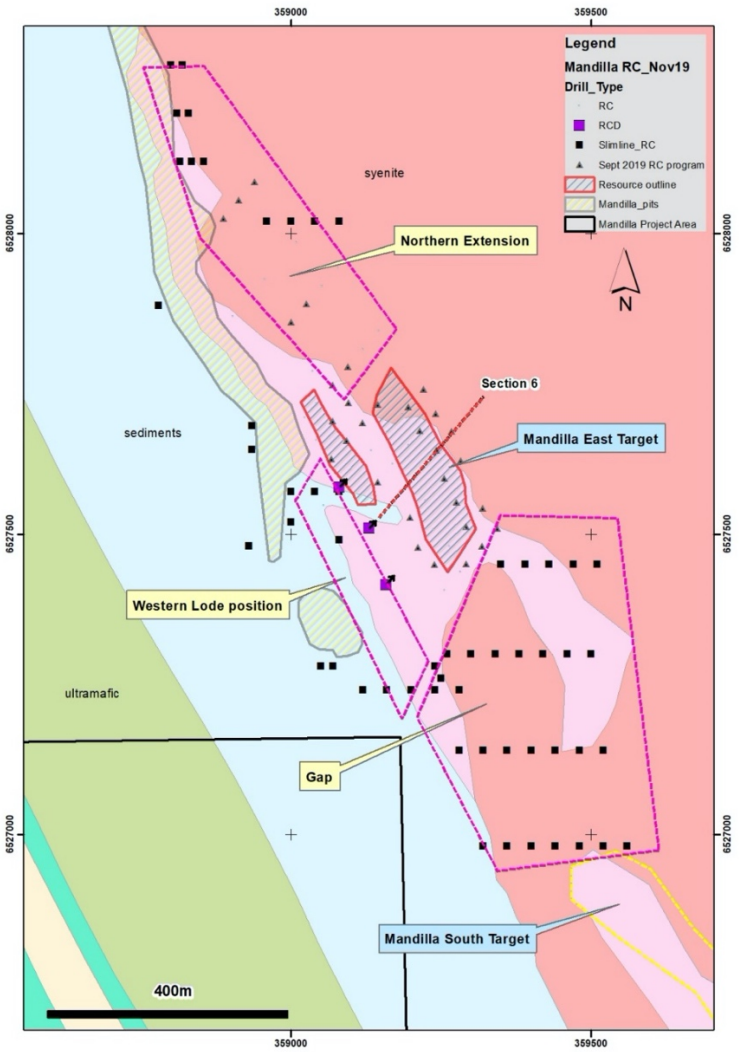

Figure 2: Location map identifying Mandilla East and nearby targets.

Holes were drilled to a maximum depth of 60 metres, with all holes penetrating at least five metres into fresh rock. Assay results are expected within the next two weeks.

RCD Campaign

A campaign to drill three RC holes with diamond tails to extend the broad zones of significant gold mineralisation at Mandilla East has commenced.

The location of the holes, to be drilled on 80-metres-spaced sections, is set out in Figure 2 above.

The holes will target the steeply south-west-dipping gold mineralisation to depths in excess of 200 metres below surface.

The diamond tails are each planned to be at least 150 metres in length, aimed to intersect the down-dip projection of the mineralised zone. This will provide valuable additional information to help understand the geological controls on gold mineralisation at Mandilla.

A cross section denoted Section 6 and located in Figure 2 above illustrating the anticipated mineralisation intersection is set out in Figure 3.

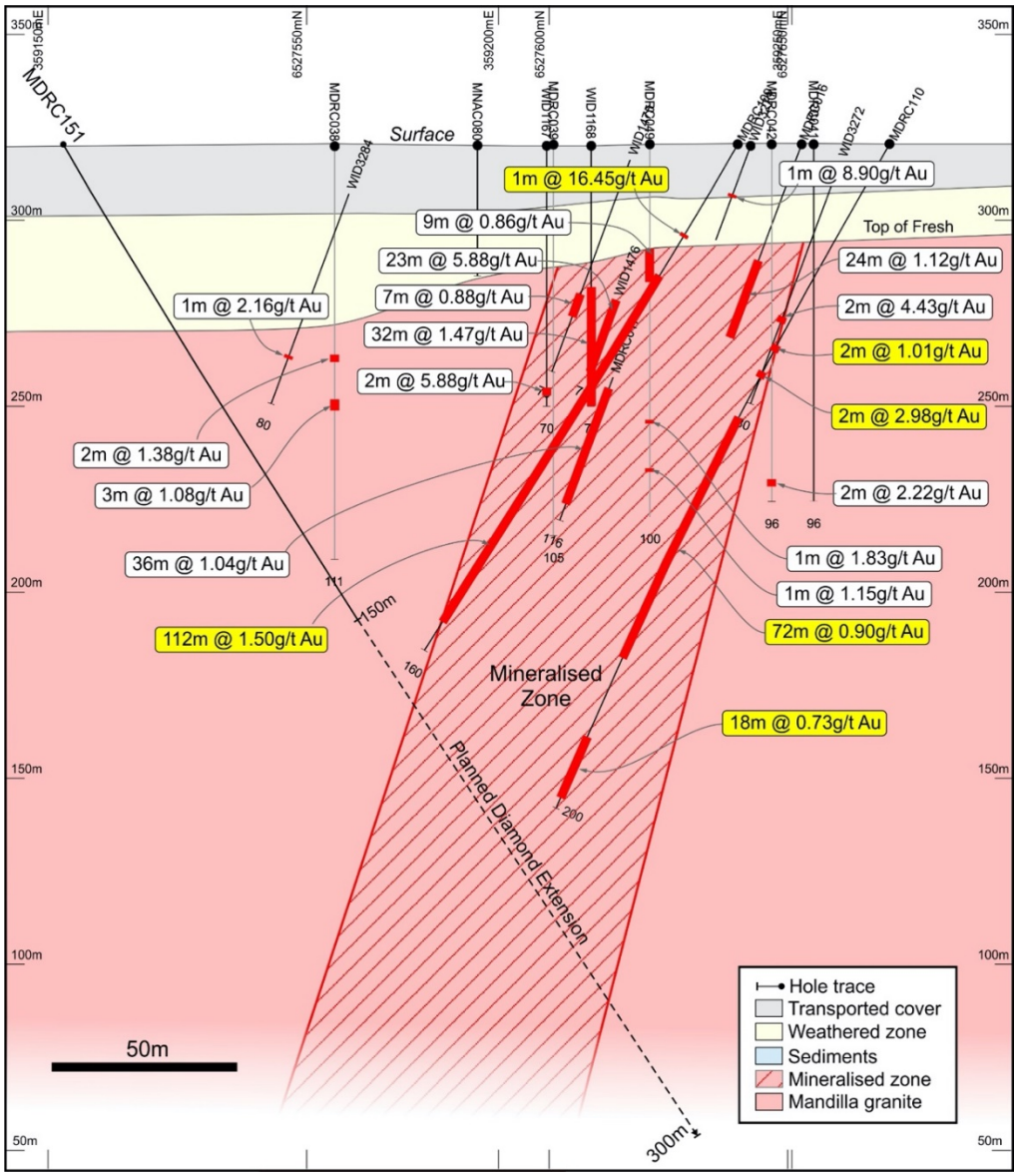

Figure 3: Planned RC/diamond tail hole on Section 6 at Mandilla East illustrating interpreted mineralisation intersection.

Forward Plan

In addition to the current RCD holes, planning is underway for a campaign involving up to an additional 4,000 metres of bedrock RC drilling to commence in early December, its objective being:

(i) Further testing Mandilla East mineralisation, particularly north-east-oriented scissor holes

(ii) Testing the northern extension to follow up significant mineralisation in MDRC136 (32 m @ 1.08 g/t Au from 72 m) and MDRC137 (49 m @ 2.07 g/t Au from 41 m)

(iii) Any other priority targets identified in the slimline RC campaign

Final campaign design will be completed once all assays from the slimline RC campaign are to hand.

About the Mandilla Gold Project

The Mandilla Gold Project is situated in the northern Widgiemooltha greenstone belt in the western part of the Kalgoorlie geological domain some 60 kilometres south of Kalgoorlie and 20 kilometres west of Kambalda. Significant nickel and gold deposits are present in the belt, the nearest gold deposit being the high-grade Wattle Dam Mine located just 3 kilometres to the west of Mandilla.

The Project lies on the western margin of a porphyritic granitic intrusion, the Mandilla Syenite. The granite intrudes volcanoclastic sedimentary rocks in the project area which form part of the Spargoville Group.

Significant NW to WNW-trending structures along the western flank of the project are interpreted from regional aeromagnetic data to cut through the Mandilla Syenite.

One such structure localises the Mandilla East Prospect at a point where the western granite contact is offset by at least 300 metres. A second sub-parallel structure appears to host the Mandilla South Prospect.

In 2006, Anglo Australian mined the high grade Mandilla West paleochannel producing approximately 23,000 ounces of gold.

Both Prospects are covered by existing Mining Leases.

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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 which were previously announced on16 September 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